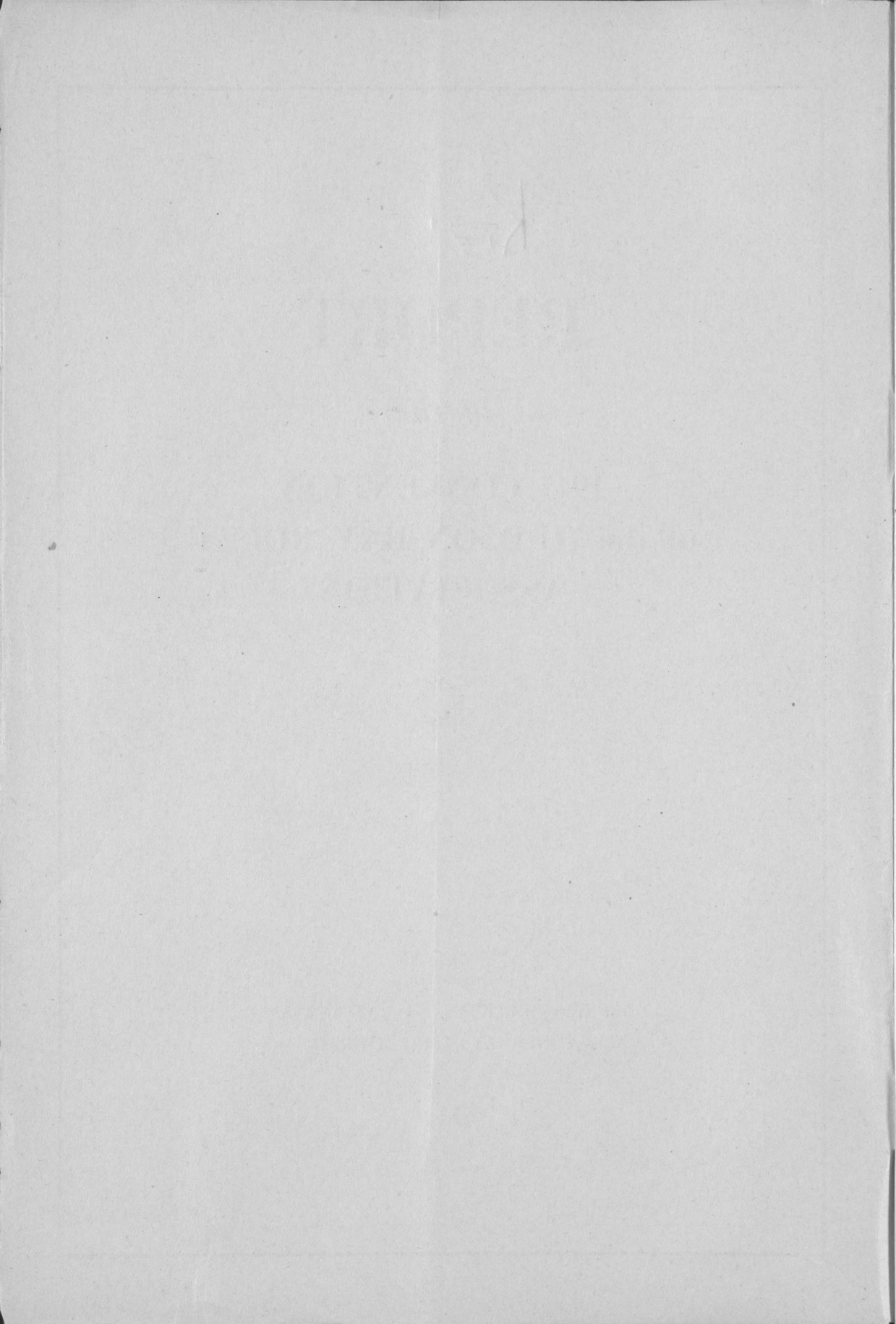


R.G.

**REPORT**  
*of the*  
**1947 CONVENTION**  
**of the HUDSON BAY ROUTE**  
**ASSOCIATION**



Held in  
THE BESSBOROUGH, SASKATOON, SASK.  
on WEDNESDAY, APRIL THIRTIETH  
1947





# Hudson Bay Route Association

## *Hon. Presidents*

HON. J. L. PHELPS and COLONEL JAMES

## *President*

W. STREETON, Plunkett

## *Vice-President*

J. MacDONALD HENDERSON, Regina

## *Secretary*

F. ELIASON, Saskatoon

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S. N. MacEachern, Saskatoon

Gordon Cooper, Swift Current

Cameron McIntosh, North Battleford

A. J. Hansen, Prince Albert

Peter Howe, M.L.A., Leslie

G. O'Shaughnessy, Moose Jaw

W. A. Richford, Chelan

L. E. Pharis, Magrath, Alta.

Thomas Bobier, Ada

R. H. MacNeil, Kississing, Man.

## *Head Office:*

1-3 Imperial Bank Building

SASKATOON





# **Report**

of the Second Annual Convention of the

## **Hudson Bay Route Association**

**Held in the Bessborough Hotel, Saskatoon, April 30, 1947**

Mr. W. G. Streeton, President of the Association, called the meeting to order at 10.00 a.m. After a few remarks of welcome, Mr. Streeton called upon Mayor Macpherson to welcome the delegates.

Mayor Macpherson in bidding the delegates welcome to the city expressed the hope that their deliberations would result in more intensive efforts to promote the development of the Hudson Bay Route. He felt that every farmer and business man in Western Canada owed it to themselves to give active support to the Hudson Bay Route Association. The Saskatoon City and the Board of Trade had provided some financial assistance to the Association and he felt certain that affiliation fees would be renewed annually until the Association had reached its objective which, according to his understanding, was the full use of the Hudson Bay Railway and the facilities at Port Churchill for export and import purposes.

A vote of thanks was extended to Mayor Macpherson for his welcoming address.

The President read the agenda which was approved subject to changes which may be necessary.

### **The President's Address**

Ladies and Gentlemen:

I want to express my pleasure at seeing the number of members gathered this morning to attend the second annual convention of the Hudson Bay Route Association. We have had a busy year and I feel sure that when you hear the secretary give his report you will agree with me that the Association has made progress during the past year. Your executive has endeavored to carry out the instructions laid down at the last annual convention.

I would like to express my appreciation on behalf of this Association to the Hon. L. F. McIntosh, chairman of the Western Policy Committee, for his activities in connection with the future development of the Hudson Bay Railway and Port Churchill, and also to his able technical adviser, Mr. W. J. Hanson.

I have attended several meetings in connection with your Association. On May 9th of last year with other members of your executive, I attended a meeting with Mr. Peter Dalgleish of Newcastle-on-Tyne regarding the 1,800,000 bushels of grain in store at the Government Terminal Elevator at Churchill. We did our best at that time to have the Canadian Wheat Board increase the amount, but we were not very successful.

However, later in the season, due to the efforts of our secretary and Mr. A. J. Hansen of Prince Albert, three additional ships were made available to take additional grain. I attended the United Farmers' convention, also the Municipal convention, as fraternal delegate on behalf of this Association, as well as other meetings with the executive here in Saskatoon. Our last meeting of the executive was held on March 13th, when Mr. Peter Dalgleish, president of the Dalgleish Steamship Lines, came to Saskatoon on matters dealing with the 1947 east-bound and west-bound shipments through the Port of Churchill. Mr. Dalgleish met representative business men and farmers at Regina, Saskatoon and Prince Albert, and I am sure that he was able to convince them that the Hudson Bay Route is not only safe for navigation purposes, but its full use every year by the Western people and the people in England and upon the Continent, means a great saving of dollars and better services as compared with the Eastern ports. Still, it seems to me that the very people whom this wonderful seaway will benefit most are suffering from inertia, and the promotional and educational work by this Association must go on until we reach our objective, which is the full use of the Hudson Bay Route.

Now, ladies and gentlemen, I would like to take this opportunity on behalf of the Association to thank the officials of the Saskatoon Board of Trade, also the United Farmers of Canada, Saskatchewan Press, CFQC Radio Station, for their splendid assistance in helping to further the development of the Hudson Bay Route.

In conclusion, I wish the convention every success.

A vote of thanks was extended to the President for his fine address.

The President called upon Mr. Eliason, secretary of the H.B.R., to read the minutes of the last annual convention.

### **Secretary's Report to the 1947 Convention, April 30th, 1947**

Gentlemen:

At last year's convention, which was held here on April 25th, you were advised of the progress made by this association up until that time. You were told about our efforts to secure the support of the three Western Governments and that a policy committee had been appointed of which Hon. L. F. McIntosh, Minister of Co-operative Development in this province, is the Chairman. This Inter-Provincial Committee and their technicians have accomplished a good deal during the past year and we are honoured to have Mr. McIntosh and his technical advisor, Mr. W. J. Hansen, with us today. I know that we shall hear from them in due course.

Following the last convention we published and distributed 4,800 copies of the convention report. We have carried on quite extensive publicity of our activities by radio and the press, and the United Farmers of Canada have contributed three 10 minute broadcasts and have made reference to our work in their regular weekly broadcasts. There is a great demand for pamphlets and informative literature which we have not been able to meet because of lack of funds. This could be remedied if organizations and municipal governments who proclaim their interest in the Hudson Bay Route would renew their contributions or affiliation fees promptly every year until we have reached our objective, which is to make full use of the route in the interest of the western people. *I hope that everyone at this convention will impress upon the organizations and municipal units to which they belong the need for adequate financial support of this association.*

As regards the present membership we have 600 individuals; 82 Rural Municipalities; 12 villages; 37 private business concerns; 28 Boards of Trade; 3 cities; 10 towns; 33 U.F.C. Locals; 16 Co-operative Associations; 18 Wheat Pool Committees.

We were not able to continue our field service and have therefore no direct personal contact with our supporters and that in my opinion is the reason for a slight decline in the membership from last year. We have however made some progress.

After a rather intensive campaign we finally were assured that six ships would arrive at Port Churchill last August to take delivery of the 1,800,000 bushels of wheat which had been stored in the elevator since 1939. I also received an invitation from Peter Dalglish, President of the Dalglish Shipping Company, Newcastle-on-Tyne, England, to meet the ships and accept a model of the "Pennyworth" which I understand was one of the first ships to enter the harbor and take delivery of grain from the elevator. The model was a gift from Mr. Dalglish to the Hudson Bay Route Association. It is very beautiful and as Mr. A. J. Hansen, our Director from Prince Albert, was with me he requested that the model be shipped to Prince Albert where it is on display in the City Hall at the present time. Arrangements are now under way to have this model on display at the Saskatoon Exhibition and other points. Mr. Hansen and I were also accompanied by Mr. William Richford of Chelan, and while Hansen and I busied ourselves with inquiries etc., at the Port, Mr. Richford secured 27 members for our Association at Churchill.

Upon arrival at the Port we learned that in order to provide full return cargo for the six ships which were in port or on the way, 100,000 bushels of wheat would be required. We wired the Minister of Trade and Commerce and the Wheat Board and requested immediate shipments to meet this situation. Our representations brought results as before the season was over nine ships were loaded to capacity and about forty tons of import cargo was unloaded for shipment to various points in the west. I prepared a report of our trip to Churchill which has been widely distributed and in which I outlined many of the difficulties that are in the way of the full use of the Port. In view of the experience

which I have gained I am of the opinion that it is necessary to appoint a Trade Agent for Western Canada whose duty should be to solicit imports via the Route, check up on the operation of the Railway and the Port; in other words, to police the entire setup and report to our Association and the Western Policy Committee. I am sure that we all appreciate the appointment of a Trade Representative overseas by the Saskatchewan Government who will look after our interests over there. But we also require the services of a Trade contact man here, businessmen are accustomed to dealing with travelling salesmen and they hesitate to do business by any other method. I trust that the convention will give some consideration to this question.

I am also of the opinion that certain matters effecting the successful operation of the Port and the Railway are difficult to handle successfully by our Association and the Policy Committee. As I see it, we have no authority to make a thorough inquiry into the general operations. We have tried to find out for instance why the Railway is still held as being under construction which removes it from the jurisdiction of the Board of Transport Commissioners, there is therefore no public control over freight rates. We have no jurisdiction over the labor situation at the Port or the general living conditions of the employees. We would like to know why the Port is not equipped to handle coal and cattle. I feel that the situation as we understand it should be examined by a Royal Commission upon which the Western Policy Committee and this Association should be represented and I recommend that this convention take some action in this matter.

Interest in the route is evident in Prince Edward Island; farmers there wish to purchase western feed grain and we might eventually develop a market for one million bushels of grain which would mean a good deal to western farmers. The overland freight rate from the west is too high but there is a possibility that this grain can be routed via Churchill at rates which will make developments for trade with the Maritimes possible. It is true that present rates do not encourage this development, but there is already evidence of a type of opposition with which this Association is familiar and which makes it quite clear that we must fight for western rights to trade with the Maritimes on an equitable basis. I believe that a profitable two way traffic can and will be developed along our coast line and the Maritimes will be all for it because they have received the same kind of treatment from the powers that be as we have in the west.

With regard to export and imports this year, Mr. Dalglish paid us a visit recently and we were greatly encouraged by his expressed enthusiasm for the Hudson Bay Route which he considers is as good as any other Route to navigate and of great importance to Western Canada. The Dalglish line will load ships at Newcastle about July 20th, these ships will arrive at Churchill on August 12th and bring sizeable quantities of import goods. The Wheat Board has promised that the Elevator will be filled at that time with export wheat. We find however that it will require sixteen million bushels of wheat yearly to make the Route pay and we have made strong representations to the Canada Wheat Board asking that sixteen million bushels be made available for shipment this year, but without any apparent result so far. Perhaps the representatives of the Western Committee will have some good news for us today as regard to possibilities of securing the necessary quantity of wheat for shipment this year.

We keep in close contact with His Majesty's Trade Commissioner at Winnipeg as he has upon several occasions expressed his interest in the Route and whenever we are advised that Overseas Trade Representatives are in Winnipeg we contact him and wire these people urging their support for export and import shipments. There is every indication of interest among these overseas representatives and as we now have the Saskatchewan Trade Agent in London this interest, I am sure, will become more effective and pronounced as time goes on. It would be well I think if farmers and businessmen would make it a point to visit Churchill during the navigation season and we are encouraged in this matter by a recent announcement that the Canadian National Railways will sponsor an excursion this year. We expect to have detailed information about the excursion very soon.

With regard to the resolution passed by the last convention requesting that a Western Board of Management be set up, we have not as yet taken any action in this matter because it is felt that every effort should first be made to have the Federal Government assume full responsibility for the successful operation of the Route. If they fail the West in this respect I have no doubt but that steps will be taken to implement the resolution.



# HUDSON BAY ROUTE ASSOCIATION

## Statement of Income and Expenditure—April 16, 1946 to February 28, 1947

### INCOME

Memberships —		
Individual .....	\$ 308.50	
Rural Municipalities .....	1,050.00	
Villages .....	35.00	
Private Business Corporations .....	25.00	
Boards of Trade .....	303.97	
Cities .....	119.00	
Towns .....	55.00	
U.F.C. Locals .....	60.00	
Co-op. Associations .....	105.00	
Wheat Pool Committees .....	60.03	\$2,121.50
Donations .....		.50
Bank Interest .....		13.63
Unrecorded Donations .....		17.00
Total Income .....		2,152.63
Balance in Bank - April 15th, 1946 .....		1,501.33
To account for .....		\$3,653.96

### EXPENSES

Salaries (organizer) .....	\$ 108.30	
Honorarium - 1945 services - organizer .....	200.00	
Unemployment Insurance .....	1.74	
Literature .....	464.57	
Stationery and supplies .....	139.88	
Postage and Express .....	83.96	
Office Assistance .....	296.75	
Films .....	75.00	
Audit .....	10.00	
Telephone and Telegraph .....	26.72	
Advertising .....	20.00	
Meetings .....	41.58	
Travelling —		
Directors Expenses .....	611.01	
President's Expenses .....	115.50	
Fair Concessions .....	55.46	
Gratuities .....	6.87	
Freight on Ship Model .....	60.73	
Bank Exchange .....	9.81	
Total Expenses .....		\$2,327.88
Balance in Bank - February 28th, 1947 .....		1,233.08
Cash on Hand .....		93.00
Accounted for .....		\$3,653.96

We have prepared the above statement from the books and vouchers and find it is correct.

FERGUSON, HARRIS & FINGARSON

10th March 1947

An interim statement covering the period from February 28th to date of the convention showed receipts, \$128.00; Expenses, \$333.40; Bank Balance, \$1,027.64.

## **MacNeil - Hansen**

That the minutes of the last annual convention be adopted as read. Carried.

## **Hansen - O'Shaughnessy:**

That the Secretary's Report and the Financial Statement be adopted as read. Carried.

## **Appointment of Resolution Committee**

It was decided that the Chairman should appoint three for this committee and the following were named: A. J. Hansen, Prince Albert; R. H. MacNeill, The Pas, Manitoba; and H. A. Crofford, Saskatoon.

## **Appointment of Nominating Committee**

The chairman named the following: John Evans, Saskatoon; F. Wright, North Battleford; J. M. Henderson, Regina.

At this time Mr. Streeton mentioned that the Secretary had some resolutions and if there are any other resolutions they should be handed to the Resolution Committee so that they can compile them and have them ready for discussion after lunch.

The Secretary read letters from: Dave Winton, President of The Pas Lumber Company, stating that the Company was prepared for large shipments of lumber via Port Churchill this year, and extending greetings to the convention. Mr. Grant McEwen, Dean of the Manitoba Agricultural College also extended greetings to the convention and expressed hopes that the campaign in support of the Hudson Bay Route would be intensified. Letters from various Boards of Trade, Business Corporations, U.F.C. Locals and interested individuals expressing similar sentiments were also read, and a telegram from Peter Dalgleish of the Dalgleish Steamship Company, Newcastle-on-Tyne, England, as follows:

"PLEASE CONVEY TO ALL MEMBERS YOUR ASSOCIATION MY BEST WISHES FOR SUCCESSFUL ANNUAL CONVENTION STOP I FEEL CERTAIN THAT AS RESULTS OF THE EFFORTS YOU ARE MAKING TRAFFIC THROUGH HUDSON BAY IN 1947 SEASON WILL BE HIGHER THAN EVER BEFORE BOTH EASTBOUND AND WESTBOUND STOP MY EARNEST WISH IS THAT YOUR ASSOCIATION AND ITS AIMS WILL GO FROM STRENGTH TO STRENGTH AND THE ROUTE WILL BECOME COMPLETELY ESTABLISHED AS ONE OF THE MAIN ROUTES OF TRADE AND COMMERCE OF CANADA. . . . DALGLEISH."

WRIGHT-McNEIL: That this convention appreciate the very fine sentiments expressed in the correspondence read by Mr. Eliason and that same be filed in our records. Carried.

Mr. A. J. Hansen of Prince Albert was called upon to address the meeting on the question of securing support from Ottawa; the executive had asked Mr. Hansen to interview Mr. W. Tucker, M.P., with particular reference to a Royal Commission. "The Minister of Transport did not think it necessary to appoint a Royal Commission," said Mr. Hansen. "We continued interviewing Mr. Tucker in regard to getting more definite support from the Wheat Board and wrote to Mr. Tucker on the 17th of March as follows:

"There are certain questions which our executive board thought might have been more readily clarified by an official or public inquiry, such as a Royal Commission, than by appeals to authorities in charge of the Railroad and Port facilities made periodically through such voluntary organizations as ours, the very existence of which over some 30 years, would tend to demonstrate the eloquent inertness in the more active use of as vast a national enterprise as the Port at Churchill and the excellent 512 miles Railroad leading thereto.

"It is however very plain, from your letter, that the Minister in charge is in no mood to inquire further in this remote Western project, and following the wishes of my Associates, I am about to take advantage of your very kind personal offer contained in the last paragraph of your letter, and I am thus writing to you in the hope that the shining rays heralding the new era of the Great West, may yet, through distinguished assistance, such as yours, penetrate that incomprehensible curtain of mists and mysteries which have closed out Eastern political and economic views of the West, since the days of the Sir Wilfred Laurier's regime.

"I would like to draw your attention briefly to what our organization considers immediate, vital objectives:

"(1) To prevail upon the Canadian Wheat Board, in control till 1950, to guarantee the delivery at Port Churchill of a minimum of 15 million bushels of export grain, prior to close of navigation each year they are in control. Reasons for this request: Cargo vessels from the U.K. are directed here by the British Minister of Foods to go where Food (here grain) is available. There is a saving of at least 8 Cents accruing to the British Government on each bushel of wheat bought at Churchill. This saving means a saving in Dollars of which currency the U.K. is notably short, hence it is reasonable to expect that British boats will call at Churchill if *wheat* is made available. It follows that the first step must be taken by the Canadian Wheat Board and *taken in time*. Last season our Secretary, who happened to be at Churchill when the boats were loading wheat, secured last minute cargoes for British vessels about to return short of cargo. To say the least, this is not a laudable manner of handling National Export Business.

"(2) To prevail upon the Imperial Shipping Board to reduce the exorbitant rate of Marine Insurance of vessels calling at Port Churchill. Present difference in hull insurance for instance is \$2,000.00 to Montreal and \$9,000.00 to Churchill on the same hull, this notwithstanding the fact that sea captains who have shipped both routes consider the Churchill the most favorable.

"(3) To have the present status of the Hudson Bay Railroad changed so as to bring it under the jurisdiction of the Board of Transport Commissioners. General freight rates are prohibitive.

"(4) There isn't a stick nor board left of the fine stock yards and cattle pens at the Port. If livestock is again to be shipped over this most suitable route for Western cattle it will be impossible to load into ships.

"(5) To have Export Wheat via Churchill stored at the Government elevators at Saskatoon and Moose Jaw. This would provide a pool of around 8½ million bushels, including the 2½ Million stored at Churchill.

"In conclusion I wish to add that there is an inter-provincial committee set up with representatives of the governments of Manitoba, Alberta and Saskatchewan. This committee has been requested to appoint a joint Trade Representative for promoting the sales of British goods in the West.

"We are having our annual meeting of the Hudson Bay Route Association during the latter part of April and I am sure your attendance would be welcome by all."

Mr. Tucker referred my letter to the Wheat Board and I have a reply sent to Mr. Tucker by Mr. McIvor as follows:

"Dear Mr. Hansen:

"I took up the question of the movement of wheat through Churchill as much as possible this year and have received a reply from the Chairman of the Canadian Wheat Board. The main parts of this report are as follows:

"(1) We are making a special survey of the stocks of wheat in elevators and the wheat that will be delivered to elevators in areas tributary to Port Churchill, so that when we approach the period for the movement of wheat through Churchill we will know approximately the position as to the availability of wheat for this Port.

"(2) We have already been in communication with the British Ministry of Food with a view of finding out from them how many ships can be made available for the Churchill movement.

"(3) The movement of 15 million bushels of export grain through the Port of Churchill would mean that we would now have to issue orders to have stocks of wheat held in country elevators. Holding back wheat at this time would mean that countries in Europe who are in a critical position with regard to food supplies would not be able to obtain these supplies until the Fall. This would probably mean the cutting of rations, etc., in some countries who are now in a precarious position with regard to stocks of wheat.



"(4) We question the physical ability of the Port of Churchill to handle 15 million bushels of wheat in the short shipping season. This would mean the loading of 50 boats at one elevator in a short and variable shipping season.

"(5) The holding of wheat in country elevators at this time would mean the paying of extra carrying charges and also we would run the risk of failing to meet our obligations insofar as our British contract and other obligations are concerned.

"(6) In the letter addressed to you by the Hudson Bay Route Association they state in paragraph 1 that "the United Kingdom save at least 8c on each bushel of wheat bought in Churchill." The savings to the Canadian Wheat Board, and through us to the producers or the Government, are confined to the savings in rail freight from the interior rail points to Churchill as compared to a movement from these points to Fort William.

"Further, unless the 1947 harvest is early and the yield high at the favorable differential points to Churchill, the chances are that in 1947 we would have to ship from points where there is no over-all saving to us, if anything approaching the 15 million bushels would be shipped via Churchill.

"(7) The question of marine insurance is one that should be taken up direct with the authorities in London. We are not in a position to know just as to why the difference in hull insurance exists.

"(8) We will do everything possible to maximize the movement through this Port, having in mind the available stocks and the course of the marketings in the latter part of the crop season and also the timing of the availability of new crop supplies. If the harvest is early we will be able, I am sure, to arrange for shipment of some new crop supplies to this Port. The quantity which can be shipped will depend on the period of harvest and the amount available at points tributary to Churchill. We do not feel, however, that the holding back of wheat for Churchill or any other route could be justified in the face of the needs of a hungry world. We have had to work during the present crop year on the basis of inadequate rail transportation and we will have to take the fullest advantage of any grain movement which may be possible from time to time during the balance of the present crop year. This is essential in order that we may be able to move the full quantity of grain available from the 1946-47 harvest by July 31st.

"I assure you that we will make every effort to provide for as large a movement as possible through Churchill and at some later date when the various factors outlined above are more definitely determined we will be in a much better position to judge as to the movement through the Port."

Mr. Hansen felt that so far as the Wheat Board was concerned the Hudson Bay Route was going to get some assistance this year.

The Secretary was asked to send a letter of appreciation to Mr. Tucker for his kind assistance.

O'SHAUGNESSY - HENDERSON: That a letter of appreciation be sent to Mr. Dalgleish in appreciation of his fine efforts on behalf of the Hudson Bay Route Association. Carried.

Mr. Eliason read a letter from Honorable Lionel Chevrier, Minister of Transport, in reply to a resolution by the United Farmers of Canada suggesting that a Royal Commission be appointed as follows:

"Dear Mr. Eliason:

"Upon my return to the office, your letter of the 1st instant has been brought to my attention.

"The subject of the Hudson Bay Route and the facilities of the Port of Churchill have been up for consideration from time to time.

"The resolution referred to in your letter asks for a Royal Commission to investigate all matters pertaining to the Hudson Bay Railway and the Port of Churchill. As a premise to the appointment of a Royal Commission, your letter states that the Board of Transport Commissioners has no jurisdiction on freight rates over the Hudson Bay Railway, and that the cost of the roundhouse at The Pas is an item worth investigating to make the route pay. These surely

could be hardly sufficient reasons to warrant the setting up of a Royal Commission. These are matters which could easily be investigated without the appointment of a Commission. Then the reason goes on to refer to glaring extravagances of what appear to be deliberate attempts designed to discredit the possibilities of the route. If you would care to give me evidences of these deliberate attempts, I shall be glad to have them investigated at once. I have not heard of any such attempts before.

"The Railway and Shipping Committee of the House of Commons sits each year to investigate the affairs of the Railway, and in the last few years, a full discussion has taken place on the subject of the Hudson Bay Railway. No mention was ever made of such glaring extravagances as referred to. Let me point out to you that the Hudson Bay Route is equipped and ready to handle 15 to 20 million bushels of grain per annum, plus considerable quantities of other commodities. The Port of Churchill is amply equipped to handle many times any tonnages offered. The Bay and Strait are equipped with adequate aids to navigation. The C.G.S.S. "N. B. McLean" is available with ice-breaking services or convoy operations that might at any time be required. Weather services are available to any interests requiring same and traffic has not at any time been offered in sufficient quantity to warrant any assumption that further aid would accomplish anything more than to divert traffic that is apparently being satisfactorily handled through other channels.

"A full and complete history of the Hudson Bay Railway is available to any and all interested parties at any time desiring access to same. The Government is open at all times to consider any practical suggestions toward the development of the use of the road. In view of the above, I am not able to find any justification for incurring the expense of the appointment of a Royal Commission, because such a Commission could not add to either the information that is available in respect of the Hudson Bay Railway or accomplish anything beyond what might be done through the existing channels."

In comparison of the contents of the letter received from the Chairman of the Canadian Wheat Board and the letter from the Minister of Transport above referred to, it is noted that while the Chairman of the Wheat Board expresses doubt as to the ability of the Port to handle 15 million bushels of wheat annually, the Minister in his letter has stated definitely that the Hudson Bay Route is equipped and ready to handle 15 to 20 million bushels of grain per annum plus considerable quantities of other commodities and further that the Port of Churchill is amply equipped to handle many times any tonnage offered, and further that there is no evidence "THAT FURTHER AID WOULD ACCOMPLISH ANYTHING MORE THAN TO DIVERT TRAFFIC THAT IS APPARENTLY BEING SATISFACTORILY HANDLED THROUGH OTHER CHANNELS." The Minister further states that all necessary navigation aids and equipment at the Port are available whereas the Captains of the vessels when interviewed by representatives of the Association at Churchill last September referred to many navigation aids that were lacking and also stated that there was lack of necessary equipment at the Port itself.

The Secretary suggested that further efforts be made to secure the appointment of a Royal Commission, which was the only authority that would be in a position to inquire fully into the various items referred to in the proposed board resolution to be presented later for consideration of the convention.

During the present session of the House of Commons, Mr. Roy R. Knight, M.P. for Saskatoon, on March 26th asked the Minister the following questions:

1. Are the cattle pens at Churchill in a state of good repair?
2. Was any of the material of these yards disposed of to the American forces during the war?
3. If so, upon what terms?
4. Is the Hudson Bay Railroad officially listed as being a railroad under construction?
5. Has the Canadian Board of Transport Commissioners jurisdiction over freight rates on the Hudson Bay Railroad?
6. If not, for what reason?

7. Does the General Manager of the Hudson Bay Railroad spend his full working time on this road?
8. How many trains a week run between The Pas and Churchill?
9. Has the Government received requests that a Royal Commission be set up to enquire into the whole matter of the road and port?
10. What action was taken as a result of such requests?

#### THE MINISTER'S REPLY

(a) The National Harbours Board advise:—

1. Cattle pens are entirely removed.
2. Yes, all of it.
3. Cash payment of \$6,140.94

(b) The Canadian National Railways advise:—

4. Yes.
5. No.
6. The Hudson Bay Railroad is owned by His Majesty in the right of the Dominion and operated by the Canadian National Railway Company as agent and contractor of and for the Department of Transport. As such, this Line is subject to the provisions of the Government Railway Act being Chapter 173, R.S.C. 1927. This Road, not being subject to the Railway Act, the Board of Transport Commissioners for Canada are without jurisdiction in respect thereof. Certain tariffs joint with Canadian National Railways are filed with the Board of Transport Commissioners in respect of shipments to be made from points on Canadian National Railways to points on the Hudson Bay Railroad, the filing of these tariffs being in compliance with the duty imposed on Canadian National Railways by the Railway Act.
7. There is no such office. The full time of the Manager is occupied in connection with Hudson Bay Railway Affairs.
8. Two mixed trains per week in regular service with extra trains as required.
- (c) In so far as the Department of Transport is concerned:—
9. No.
10. Answered by 9.

Mr. Eliason referred to the labor situation at Port Churchill. Stevedore labor has to be hired to handle the freight when the ships arrive. Supervisors are sent up from the East to direct unloading of incoming cargo. The wages paid to local labor is 54 and 64 cents per hour as compared to 96 cents per hour at Montreal. Last year men were sent up there from points near The Pas to assist with the freight, immediately after these men started to work they went on strike for 96 cents per hour and after that strike was over they struck for better food. Two of these men were from Chelan, Saskatchewan, and when they came back they made up a report of working conditions at the Port which is as follows:

#### **Report on Working Conditions and Operations at the Port of Churchill, September. 1946**

In response to call from the manager of the Port of Churchill for labor required at that port in September, 1946, three of us from Chelan, Saskatchewan, went to Churchill to assist in the elevator and stevedoring.

As citizens of the West, we are intensely interested in the development of Churchill and the Hudson Bay Route. We, therefore, respectfully submit this report, in the hope that it will provide some information that may be of some assistance. We would point out that our remarks are not personal towards National Harbor Board officials themselves, but are intended to offer suggestions that may lead to the more efficient operation of the elevator and the port facilities at Churchill.

We do feel that the port must be more efficiently operated if 16,000,000 bushels and considerable incoming cargo are to be handled via Churchill and the Hudson Bay Route in 1947.

When we arrived we were put to work in the elevator. Possibly the management did this to employ us until the arrival of the last three ships. However, the thinking members of our party felt that we were not employed very efficiently and that money



was being spent for work ill-performed. The superintendent was probably handicapped by the intermittent arrival of grain, and the interval between ship arrivals. However, we felt that men wasted time because of insufficient supervision.

The practice of bringing in key men from Montreal does not appear all to the good, as well as being expensive. Three men told us that they were brought out expecting to perform their usual duties, but were unexpectedly placed in control of whole departments of the elevator and left to get on with it. Their task was not made easier by having unskilled Indian labor, many men of whom could not speak English. As a result of this, we saw considerable damage done, spouts being broken, and a big car winch at the unloading pits pulled from its foundations when the Indian mistook signals and tried to pull up a string of cars before the air brakes had been released. It is to be hoped that this expensive damage will be repaired before the 1947 season. Several of the Montreal men were definitely antagonistic. When such accidents occurred, we observed some of these men pat the Indian on the back and say, "Good boy, keep breaking things and we'll close this port anyway. It's only a white elephant."

The cost and method of stevedoring at the port needs investigation. It appeared inefficient and costly to those of us concerned with the factors which will go to make or mar the port. Again there appeared a lack of supervision in some respects. We observed men sign on and return to sleep in the bunkhouse, drawing wages for that time. Owing to lack of sanitary arrangements at the docks, toilet conditions were bad and men lost time from work. As men had to walk to the elevator toilet, some distance away, they lost much time that way; and worse, there was considerable fouling of the grain cargo being loaded.

From our experience as workers in September, 1946, we would respectfully suggest that the following needs immediate attention from the proper authorities:

1. The method of hiring and employing workers at the elevator and for stevedoring needs inquiry and alteration to make it less expensive and more efficient.
2. The facilities for the workers need improvement. The bunkhouses need to be kept cleaner, shower baths in the bunkhouses are urgently needed, and proper toilets for the workers are urgently needed right on the dock.
3. The officials appear ready to do a good job, but appear tied to routine and so seem unable to exercise the initiative, push and independence of action necessary to secure the most efficient use of the port facilities and thus to promote the fullest use of the port. Many difficulties would be overcome if the port were used to its fullest capacity during the present season and soon over a longer season, as then a reserve of experienced, interested resident labor would be available. In this regard, we felt that organizations like the Saskatchewan Timber Board and other exporters of lumber, ties, etc., exporting via Churchill and unloading during the winter, and the Manitoba Government by encouraging the development of the town, could do much to assist residents in the growth of a town of permanent visitors and a permanent labor force.
4. We believe that improvements in equipment and efficiency are necessary for a successful 1947 capacity season. Equipment removed by the Americans should be returned. We were told that the trucks for unloading freight to or from box cars to ship are of the wrong type and not numerous enough. Also, steel plates which allow trucks to be wheeled from the freight shed into the box cars are missing and need to be placed there before the opening of the 1947 season.

Respectfully submitted,

W. Phipps, Chelan, Sask.

Marvin Sorochnik, Chelan, Sask.

The meeting adjourned at 12.00 noon, and reconvened at 2.00 p.m. when the chairman introduced Hon. L. F. McIntosh, Minister of Co-operation and Co-operative Development, who is chairman of the Western Policy Committee.

### **Honorable L. F. McIntosh**

I want to take this opportunity to announce that negotiations have been carried on with the C.N.R. with a view to running an excursion to the Port of Churchill which will originate at Regina. Officials called at my office and laid out a schedule for a special train to run to the Port of Churchill to coincide with the first Dalgleish ship arriving in the port. The first train will leave Regina on August 6, and will arrive in Churchill

on the 8th; returning, the train will leave the port at 10.00 p.m. on the evening of the 9th, that is providing the first ship arrives on the 8th or the morning of the 9th. We are assured that every effort will be made to have the ships in port just as early as conditions will permit. The train will consist of ten standard sleepers, dining room facilities for 250 people. Basis of arrangements are that everything would be found and the round trip, covering some 2,100 miles, which provides for a run into Flin Flon and some other points, if agreed to, would range from \$70 to \$85, everything found, depending upon where the passenger boards the train. The train will arrive back in Regina on the evening of the 11th. We are hopeful, Mr. Chairman, that a committee that would be representative of the various organizations that have been active in the promoting of the trade through Churchill would participate in the organization of this excursion. Last year some effort was made to have an excursion run to Churchill but, owing to the lateness, it was not possible to make satisfactory arrangements. I do believe that it would be one of our best advertising methods that we could have if we could have these Western people visit the Port of Churchill.

Glancing over the history of the pioneering days of the Hudson Bay, it is rather interesting to note that the English "Company of Adventurers" were granted a charter by Charles II in the year 1670, which was approved by the Lords of Trade and Transportation and later was upheld by the English Parliament. This charter contained the following land grants:

"all lands lying on the east side or coast of said Bay, extending from the Bay eastward to the Atlantic Ocean—and towards the north, all the lands that lie at the north end, or on the north side or coast of the said Bay, and extending from the Bay northwards to the utmost limits of the lands; then towards the North Pole; but where or how these lands terminate is hitherto unknown. And towards the west, all the lands that lie on the west side of the coast of the said Bay, and extending from the said Bay westward to the utmost limits of those lands; but where or how these lands terminate to the westwards is also unknown, though probably it will be found they terminate on the great South Sea . . ."

This claim embraced the entire continent of North America, except the St. Lawrence Valley and New England.

What was the Company to pay for the stupendous gift? The charter carefully defined the price—two elk and two black beaver each year—but payment was to be made only if the King or his successors should "happen to enter the said countrys". The King of England "happened to enter" Canada only once in more than 250 years, and that was in 1939.

In a colorful ceremony broadcast around the world, Patrick Ashley Cooper, Governor of the Hudson's Bay Company, presented the King and Queen with two beaver skins and two mounted elk heads. It is reported that this is the only rent the Company has ever paid under this charter.

The history of the struggle between the English "Company of Adventurers" (The Hudson's Bay Company) and the North-West Company (the fur traders of Lower Canada and France) is well known to all. It is interesting to read of the numerous trading posts established by the fur traders, particularly the Hudson's Bay Company, across the far-flung North. Some of these posts were set up in what is now the Province of Saskatchewan, *and some still remain*. I should not wish this occasion to pass without making mention of the Peter Poid trading post established in 1776, some five and a half miles due west of where the City of Prince Albert is now located, at a point where the Shell River empties into the North Saskatchewan—a spot which I visited some ten days ago.

It is reported that during the period of trading through the Hudson's Bay, the Company sent more than 750 wooden sailing vessels into the Bay with the unsurpassed record of only two wrecks in 200 years.

It is said that in the year 1670, the year the charter was granted to the "Company of Adventurers," this Company invested the equivalent of \$50,000. Trading was carried on by the rough and ready rule that \$30 worth of fur must be taken from an Indian for \$7 worth of presents. A \$6 gun brought the listing of \$100 worth of beaver skins from a sober Indian and, if he were drunk, whatever furs he might have. From 1670

to 1690, \$600,000 was paid in dividends. Soon the dividends' average yielded up to 65 per cent on paid-up capital, so that by 1850 almost a hundred million dollars had been harvested from a total cash investment of less than \$65,000. This seemed to set a pattern for exploitation of the Western provinces which has continued in some degree up to the present time.

Long before the trans-Canada rails were laid, there was a paper plan to run steel up to the Hudson Bay and to provide a modern ocean port for the Canadian West on the site of the English discovery. The promoters of the scheme called it a "New Route from Europe to the Interior of North America." They were prominent industrialists and bankers, and succeeded in getting an Act of Queen Victoria passed in 1880 incorporating the Nelson Valley Rail and Transportation Company. This was to give the Red River colony contact with the world's ocean traffic by a rail line following Lake Winnipeg up to Churchill on Hudson Bay, a 400 mile road.

Years after the Nelson Valley Company was formed, the Dominion of Canada chartered the Winnipeg and Hudson's Bay Rail and Steamship Company, a rival but equally ambitious scheme. A year after that, a band of surveyors headed out West to map the South Saskatchewan and the Hudson Bay Railway. The Winnipeg Company actually laid its steel for 40 miles from the young city, but the rebellion of the Metis brought bankruptcy to all companies and plans were abandoned. At least, this was the public excuse for inaction at that time.

So we find that prior to the British North America Act there was great interest shown in this northern seaport. Following the turn of the present century, public opinion in Western Canada became quite active in the interests of a rail line and an ocean port on the Hudson Bay. In 1928, fifty years after the first plans for this great development were drawn up, Western Canada had an ocean port at its central doorway.

Churchill is North America's most modern sea port. It has a wharf one-third of a mile in length. In one straight line it can be extended to moor 40 ships. Locomotive cranes, floating derricks and rail lines are along the dock.

It is interesting to note that during the early years of the recent war, Churchill was made the principal airport. The Hudson Bay air route constructed by the American authorities follows the polar route—the so-called "Over the Roof of the World Airway." A nine million dollar airport is completed at Churchill; a seven million dollar airfield is completed at Southampton Island on Hudson Bay; and a chain of other ports at Frobisher Bay in Baffin Land and thence across the ocean to the British Isles and Europe. These facilities provided the North American continent, especially central and western Canada, with the first most direct air route to the capitals of the Old World. It is also interesting to note that our Canadian Government constructed one of the world's greatest airports at Goose Bay in Labrador. Few Canadians realize that this was part of a defence system of the American continent against Nazi invasion through the Hudson Bay—through a sea port that even to this day some people tell us is not a practical or feasible ocean route.

I have already mentioned that the rails had reached the port in 1928. The first exports through Churchill were made in 1931. It might be as well to re-state here that in the centre of the Canadian wheat belt is the City of Saskatoon, headquarters for a representative farming area. By the transcontinental railway the wheat crop must travel 900 miles from Saskatoon to reach the lake head at Port Arthur, where it is transferred into the lake vessels bound for Montreal. The average voyage from Port Arthur to Montreal, where the grain pours into ocean freighters bound for the world's ports, is 1,100 miles; and, if the cargo is billed for Liverpool, as much of our Canadian wheat is, it is an ocean voyage of 2,900 miles. These distances are the generally accepted figures, but actually the mileage from Port Arthur to England is greater in practice.

Now we load grain as above at Saskatoon and move north to Port Churchill. The cars are billed for the northern port up through Prince Albert, Hudson Bay Junction, The Pas. You reach the ocean port by 800 miles of rail travel. Saskatoon is nearer to an ocean port than it is to the head of the Great Lakes, and the Great Lakes are 1,100 miles from salt water. It can be taken for granted that the distance for moving other foodstuffs from a large section of Western Canada to the Port of Churchill is no

greater than the distance for the movement of wheat. Three hundred years is a sizeable passage of time. We are now in the fourth century since Henry Hudson discovered the northern sea, and the enemies of the Hudson Bay route are still quite active. So, let us once and for all get firmly fixed in our minds that the Hudson Bay route to the markets of the old world is feasible and an economical means of moving from our Western provinces to the millions of citizens of the United Kingdom and the Continent the hundreds of thousands of tons of surplus foodstuffs they are deficient in producing for their own requirements. We must now bend our efforts toward lowering marine and cargo insurance and a longer shipping season.

I would like at this point to extend to the Hudson Bay Route Association and its membership very sincere congratulations for their untiring efforts over a period of many years in the interests of this great northern seaport.

At a meeting of your Association in February, 1946, it was suggested that a committee representing your Association and the three Western Provincial Governments be formed for the purpose of developing two-way trade and other relating factors. This committee consisted of the Hon. Mr. J. S. McDiarmid, representing the Province of Manitoba; Hon. Mr. W. A. Fallow, representing the Province of Alberta; two members of your executive; and myself, representing the Province of Saskatchewan. At a meeting held in Regina in July of the same year, this committee recommended the following program of research:

- (a) Movement of wheat.
- (b) Development of imports.
- (c) Development of exports.
- (d) The extension of the season and use of navigation aids.
- (e) Transportation and operating problems relating to rail and sea routes.
- (f) Development of resources of Northern Canada.
- (g) Possible development of other ports in the area and coast-wise trade.

As a result of this meeting there was organized a Technical Advisory Committee, on which the three Prairie Provinces are represented. A number of meetings have been held and much research has been accomplished. The Committee, with the assistance of the Dominion Department of Trade and Commerce, has done much valuable work.

The objective for 1947 consists of the movement of sixteen million bushels of wheat from the area with a favourable freight rate differential. The area has been mapped out and a survey made of the quantity of wheat available within this area from the 1946 crop and the new 1947 crop. The figure of sixteen million bushels has been arrived at on the following basis:

- (a) Assurance from the Canadian Wheat Board that there would be  $2\frac{1}{2}$  million bushels in store at Churchill by August 1, 1947.
- (b) That approximately 11 million bushels of wheat will be available for shipment on farms and in country elevators in the preferential freight rate area by August 1, 1947.

In the opinion of the Canadian Wheat Board, two million bushels of wheat will be in store in country elevators. The Technical Committee estimates the remaining nine million bushels will be available on farms in the area.

You will note that these figures take into account only the wheat remaining from the 1946 crop and do not include any yield from the 1947 crop which might be available after the harvesting season. It is also well to note here that one million bushels of the 1946 harvest were shipped through the Port of Churchill in the 1946 shipping season. With the movement of this quantity of wheat alone, the Technical Committee estimates that a deficit in the operation of rail and the port, which is sometimes estimated to have been as high as half a million dollars, would be turned into a surplus.

In order to implement these terms of reference, the Technical Committee recommends:

- (a) Continued co-operation be sought from the Federal Government.
- (b) Continuation of the co-operation of the Prairie Provinces.

Assuming that each vessel makes two trips (which is feasible), the movement of 16 million bushels of wheat would involve some 25 vessels. The Technical Committee is of the opinion that this would warrant approaching the Imperial Shipping Committee



for an adjustment in premium rates charged, and would also go a long way toward further development in connection with the port.

In addition to grain, lumber and logs will make up the principal east-bound cargoes.

It has been stated on numerous occasions, and justly so, that two-way cargoes are much more attractive to shipping interests than one-way cargoes. Our agricultural people and business interests of Western Canada are conscious of the need for development of two-way trade. With this in mind, the Technical Committee has made a study of import requirements of our Western people. In the appointment of Mr. Graham Spry as the Provincial Agent General residing in the United Kingdom, the Government of the Province of Saskatchewan was conscious of the needs and wishes of the people of Western Canada for the development of two-way trade with the United Kingdom and the Continent, with special reference to the Port of Churchill. Mr. Spry will, therefore, work closely with the Dominion Trade Commissioner, the British Government, importers and exporters, as well as shipping interests, with a view of bringing about the wishes so often expressed by so many people of the Western Provinces.

While at this date the import picture is rather obscure, we are hopeful, and our hopes are shared by Mr. Peter Dalglish of the Dalglish Shipping Company (a company vitally interested in this port) that the port this year will experience its best year on the import side of the picture. As conditions improve in the United Kingdom and on the Continent, we can look forward to an ever increasing volume of merchandise moving from the old world to the new.

The Hudson Bay Railway is owned by the Dominion Government and operated on their behalf by the Canadian National Railways. The Port of Churchill is operated by the National Harbour Board on behalf of the Dominion Government. It has been stated that the taxpayers of Canada, with special emphasis on the Western Canadian taxpayer, have made an expenditure of some \$45 million in the rail and harbour facilities. In spite of the fact that an over-all net operating deficit for the years 1932 to 1944 inclusive amounted to an average of \$301,000 per annum, there is one bright spot—the year 1942-43 when there was a net surplus of \$119,789. In that year the rail operating revenue is reported to have amounted to the sum of \$1,102,000. This would, therefore, indicate that a movement of 10 million bushels of wheat, which is only about 50 per cent of the capacity of the port, based upon the present short shipping period, would wipe out any deficit in the operation of the railway and the harbour.

As far as we are aware, there is no federal authority whose business it is to solicit traffic for this railway. The facilities are there and are maintained to handle such traffic as is offered. This is in contrast to the traffic divisions maintained by both the Canadian National Railways and the Canadian Pacific Railway.

From a study of the results of the past operations of the Hudson Bay Railway and the harbour of the Port of Churchill published in various pamphlets, newspaper articles and debates, and from discussions with officials, it is apparent that the successful operation depends upon the co-ordination of control between independently operated interests and enterprises, the National Harbour Board (Port Churchill), the Department of Transport, Department of Trade and Commerce, the Canadian Wheat Board and the provincial governments. The Federation of Agriculture and the Boards of Trade, along with your own association, have taken a very active part. The Government of the Province of Saskatchewan, in common with an opinion held by your association since its inception, is confident that this port and its rail facilities have made and can make a very substantial contribution to the economy of Western Canada in the matter of transportation costs and the future development of the north sections of our three Western Provinces and the development of secondary industries in Western Canada.

Let me summarize what I think is essential in the future development of our Western port:

- (1) Need for co-ordination of the various agencies of the Federal Government.
- (2) Some change in method of control and administration.
- (3) Lowering of cargo and marine insurance in line with the risks involved and the extension of the navigable season.
- (4) Efficiency in operating port.

May I conclude by stating that I am confident that with your continued help and interest we will accomplish the objective set out.

In conclusion I would like to say that I am confident that with the continued support of the people and the efforts ever since the first meeting of the On-to-the-Bay Association with particular reference to those in Western Canada, that there are great transportation outlets to the great markets of the United Kingdom and the Continent through the Hudson Bay.

Mr. MacNeil extended a very hearty vote of thanks to Mr. McIntosh for his very fine remarks.

### **Report of Nominating Committee**

Mr. Johns Evans, Chairman of the Committee announced that the following were recommended:

Honorary Presidents—Hon. J. L. Phelps and Colonel James.

President—W. Streeton, Plunkett.

Vice-President—J. MacDonald Henderson, Regina.

Secretary—F. Eliason, Saskatoon.

Directors—S. N. MacEachern, Saskatoon; Cameron McIntosh, North Battleford; Peter Howe, M.L.A., Leslie; W. A. Richford, Chelan; Thomas Bobier, Ada; Gordon Cooper, Swift Current; A. J. Hansen, Prince Albert; G. O'Shaughnessy, Moose Jaw; L. E. Pharis, Magrath, Alta.; R. H. MacNeil, Kississing, Man.

EVANS - WRIGHT: The adoption of this report. Carried.

Mr. Streeton thanked the convention for re-electing him as President and assured those present that he would do his best to carry on the work of the Association to the best of his ability.

The Chairman introduced Mr. W. J. Hansen, secretary of the Technical Committee. Mr. Hansen pointed out that he was speaking in the capacity as Director of Trade Services and addressed the convention as follows:

On this occasion, the 1947 annual convention of the Hudson Bay Route Association, it is only fitting that we take stock of past accomplishments, present conditions and future possibilities of the Hudson Bay Route. In the time at my disposal I shall give you my impressions, formed as a result of contact with the Continuing Technical Committee on the Bay Route and other enquiries made during the past year.

### **Construction Phase Completed**

The final stages of *construction* of the Hudson Bay Railway and the Port facilities, from 1926 to 1931, were completed by the C. N. Railway, acting as agents for the Federal Government through the Department of Transport. *Today*, the Hudson Bay Railway is still being operated by the C. N. Railway as agents for the Department of Transport of the Federal Government. The Harbour at Port Churchill, on the other hand, comes under the administration of the National Harbours Board of the Federal Government. *From the year 1931 to date* may be described as a period of *testing and maintenance*—when this period will emerge into a *commercial operation* phase is a matter of conjecture depending upon necessary promotion and developments by the agencies concerned.

### **Testing of Operational Capacity of Railway and Port**

Under the most favourable conditions, with "full" employment of all railway and harbor facilities and co-ordination with shipping and other interests, the combined facilities at the Port of Churchill is said to be *rated* as having a maximum handling capacity of 20 million bushels of grain and 8,000 tons of cargo in the present season of 60-66 days.

The best shipping season to date has amounted to less than 5 million bushels of wheat and 2,000 tons of cargo—one quarter of the rated capacity.

### **Full Scale Test Needed**

It must be apparent to all concerned that what has been and is needed now is *an all out effort* and *full scale testing* of the capacity of the Hudson Bay Railway and Port facilities. Such an objective requires careful planning and control over all the

factors involved and is not likely to be attained in the 1947 shipping season. The initiative in this respect must come from the Department of Transport, Ottawa.

Continued operation of the Hudson Bay Route on the same basis as the level of past operations since 1931 holds no promise of any important economic advantage to this province and in another ten years would justify the appellation of a "white elephant."

For all practical purposes, therefore, the Hudson Bay Route is still in the "*maintenance and testing stage*." The testing stage requires being brought to completion to provide data as to the possible long term economic value of the Port. This responsibility rests with the Department of Transport.

### **Regarding Control and Operation of the Hudson Bay Railway and Port of Churchill and Promotion of Traffic**

As already indicated, the Hudson Bay Railway is owned by the Federal Government but is operated by the C. N. Railway as agents for the Department of Transport. There is no *specific agent* or agency of the Hudson Bay Railway or the C.N.R. which is entrusted with the duty of soliciting and *developing traffic* for the Hudson Bay Railway. Supposedly, the traffic departments of the C.N.R. act as agents for the Hudson Bay Railway but it is quite impractical to expect that C.N.R. traffic agents would solicit and develop traffic for the Hudson Bay Railway which would decrease traffic for their own lines.

In a similar vein, it can be said that the *National Harbours Board* is entrusted with the maintenance and administration of facilities at Port Churchill as in other ports in Canada, and is not in any position to advocate the use of any one port in Canada as compared to any other port.

The *Department of Trade and Commerce* at Ottawa, also, is interested in the general development of the *Import and Export Trade* of Canada without special favour to any one province, group or type of business enterprise. It is definitely not in any position to use its favourable position and facilities for advertising the Hudson Bay Route as compared to other shipping routes.

Presently, the sale and export of wheat from Canada is entirely under the control of the *Canadian Wheat Board*. Their primary function is to "move" wheat. They have not and cannot be expected to accept any responsibility for the testing and commercial development of the Hudson Bay Route.

Under the *Wheat Agreement* with the United Kingdom, Canadian wheat is sold to Great Britain from the "in store" position at Fort William, Port Arthur, Vancouver or Churchill. Shipping is supplied by the United Kingdom and the extent to which wheat deliveries will be taken at various ports, and shipping directed to various ports, will entirely depend upon the United Kingdom "shipping position" and is beyond the control and major influence of the Canadian Wheat Board or other Canadian agencies.

### **Import Cargo**

Diversion of *import cargo* from the Montreal or Vancouver ports to Churchill Port is not a simple matter. For the most part *Canadian Importers* and their Forwarding Agents abroad are members to an agreement with the Canadian North Atlantic Westbound Freight Conference whereby ocean contract freight rates are assured by the exclusive use of conference shipping lines. There are no conference line boats with sailings scheduled for Churchill, and with the exception of the Dalgleish Line which is not a member of the conference but has been afforded restricted privileges of the conference, importers are restricted to the use of one or two sailings into Churchill by the Dalgleish line.

In addition to the restricted shipping line services into Churchill, there is the *inertia* and resistance of importers to change their shipping habits unless the savings to be made are definitely substantial. Such inertia and resistance can only be overcome to any extent by services which could be rendered by solicitation by an active Traffic Department of the Hudson Bay Railway.

From the year 1931 onwards, the Government of the Province of Saskatchewan, in recognition of the need for some means of stimulating the traffic for the Hudson Bay Route, have employed various individuals in various capacities. Captain Waldron of the Co-operation and Markets Branch, Department of Agriculture, acting as overseas representative until his superannuation in 1940-41, was active in Great Britain in bringing the Bay Route to the attention of the British public. Mr. George Smith, Freight Rate

Expert of the Provincial Government made numerous contributions leading to the fixation of various freight tariffs. Mr. D. M. MacLennan of the Department of Labour and Industries from 1929-34, and Mr. C. Murchison of the Department of Highways and Transportation, Province of Saskatchewan, 1934-1941-42, were active in promoting the Bay Route. Literature, booklets and advertising on the Bay Route were published and distributed in Canada and abroad prior to the war. In addition, the On-to-the-Bay Association, and latterly the Hudson Bay Route Association, have been active in promoting the route.

In spite of all the promotional work, just enumerated, from 1931 to 1939, the annual level of imports ranged around 2,000 tons.

In the 1946 season, the Winnipeg Liquor Board brought in 13 tons of whiskey via Churchill at a loss of \$66.50 compared to shipping by water and rail via Montreal. A shipment of one generating set destined for Edmonton this coming season will cost \$16.50 more than if brought in via Vancouver. The Saskatchewan Liquor Board made a saving of about one cent per bottle of whiskey brought in via Churchill as compared to the water and rail route from Montreal. In short, under present railway freight tariffs and port wharfage and handling charges, Saskatchewan business men are the only ones likely to gain by using the Bay route, except for Northern Manitoba interests.

*The possible volume* of imports into Saskatchewan via Churchill is a matter for conjecture. Estimates made today are not likely to have relation to the facts of tomorrow. Today, merchandise is scarce and is being brought in without too close regard for competitive costs. In a buyers' market the situation may be entirely different. Very few business men in the province have any idea of the goods available from Great Britain, quality and price. British catalogues are practically non-existent. The recent appointment and activities of an Agent-General for the Province of Saskatchewan with location in London, England may produce enquiries and information which will stimulate trade with the United Kingdom. Mr. Peter Dalgleish, of the firm R. S. Dalgleish Ltd., Newcastle-on-Tyne, fully expects that import cargo will reach the 8,000 ton level within a few years.

Of the approximately 125 firms in Canada, from the head of the Lakes to Vancouver, representing British manufacturing companies, about half a dozen are located in Saskatchewan. Hence no immediate large volume of imports can be expected from that source.

To the *prospective importer* it may be of interest to summarize the available facts: Ocean freight rates (contract rates) from United Kingdom ports to Churchill are the same as to Montreal; Marine insurance rates to Churchill are about double the rates to Montreal; Railway freight charges at Montreal port include wharfage and handling whereas at Churchill additional charges are made for wharfage and handling. Wharfage charges amount to minimum of 25c a ton and handling charges amount to 65c a ton. Overall savings may be effected by Saskatchewan importers.

*Marine insurance rates* are based on the *loss-risk ratio* and expectations of adjustments in rates may be expected after further operation of a loss-free period.

With respect to the *export of wheat* via Churchill in 1946, savings to the British Ministries of Food and Transport amounted to approximately 4 cents a bushel as compared to Montreal. This amount represents the "visible" saving and may be reduced by expenses incurred in "trimming" cargoes. If the "net" savings are substantial to the British Ministries it may stimulate further use of the Hudson Bay Route. The Ministry of Food is interested in securing regular shipments of wheat throughout the year. Seasonal movement of wheat from Montreal, Vancouver and Churchill will require some degree of integration.

*Compared to other ports, the shortness of the Churchill shipping season* has been and probably is the most important factor which has restricted interest and use of the port. Ways and means of increasing the length of the shipping season is a subject which merits technical study by federal government and other agencies. An increase in the length of the shipping season would completely change the economic prospects of Port Churchill.

In conclusion:

In addition to the efforts of the Hudson Bay Route Association, the Saskatchewan Government and the Interprovincial committee on the Bay Route, and others, in promoting traffic, there appears to be need for a specific *traffic department* of the Hudson Bay Railway for promotion of traffic.



The immediate need is for *full use* of the Hudson Bay Railway and port facilities to the extent of a maximum movement of 20 million bushels of wheat in a year.

In the movement of wheat, the Canadian Wheat Board requires to make definite arrangements for a fair share—up to 20 million bushels—for the Port of Churchill.

The long term economic value of the Port of Churchill depends upon the possibilities of lengthening the shipping season. Such a development would be worthwhile from a national point of view and investigational activities should be spearheaded by the Federal Government.

Following Mr. Hansen's address some discussion arose relative to the high freight and insurance rates and the extra charge that could be made on Companies that did not belong to the Shippers Union.

Mr. Eliason voiced appreciation for the good work of Mr. Dalglish but felt that unless something was done to encourage his company from this side the enthusiasm would cool off and therefore we must do something to meet the buying and selling requirements in England and upon the Continent. Back in 1931 Honorable R. B. Bennett came on a special tour through the west and when he arrived in Regina delivered a radio broadcast, in this broadcast he promised that the incoming and outgoing freight rates on the Hudson Bay Railway would be based on the Crows Nest Rates. The rates were later published in the press and Mr. George Smith, Traffic Expert for Saskatchewan, challenged them on the basis of the Crows Nest Rates. To date Mr. Bennett's promise has not materialized.

Appreciation was expressed for the help received from the Saskatchewan Government and hopes that as much help would be received from the Governments of Alberta, and Manitoba.

Mr. Evans believes that the trouble lies in the cartels and in order to get what we want we first have to get over the cartels in Ottawa.

Mr. Streeton asked Mr. Crofford, who is a Director of the Canadian Wheat Pool, how many elevators they have in the preferred wheat area and how much wheat is in the elevator? (Mr. Crofford): "In the past years something over 23,600,000 bushels of wheat have been shipped, the Pool supplied something over 73% of that total. In the early years about 5,000,000 bushels were exported by our own organization through that Port, the picture is pretty clear and the record of this group is well known. We are extremely interested at the present time in furthering the further development of the Route. We have four areas that differ in freight costs, 1, 2, 3, and 4 cents on the 100 lbs. In those areas where the 1 cent differential is, there are 148 shipping points; where the 2 cents differential applies there are 90 shipping points, where the 3 cents differential applies there are 37 shipping points and where the 4c differential applies are 10 points. There are another 56 shipping points that just break even, that makes a total of 285 shipping points where there is a differential and another 56 on the even line gives a total of 341. I haven't the exact figures but at approximately 341 points we have Pool elevators, I would expect that at each point there would be two line elevators. In the area where the C.N.R. runs down, taking a portion of the Goose Lake Line and angling to Melfort and then south, at the present time that area has 285 points where there are two million bushels of wheat in store at the present time. The Wheat Pool has recently issued orders to ship that grain as rapidly as possible to the Head of the Lakes and maybe to points going West. They feel that is necessary because of previous commitments and there is such an urgent demand and need for grain at the present time and yet we do know that there is considerable grain on the farms in that area which is a substantial quantity which will be moving out. We have within the Wheat Pool organization discussed this question with the Wheat Board and there are many problems, many sides to this whole question in the movement of grain; there is the urgent need, previous commitments and yet we feel certain that with all these factors that everything possible should be done to allow the maximum amount of grain possible through Churchill. One of the difficulties we have in handling grain is the cleaning.

"The Saskatchewan Wheat Pool will do everything that is possible and we definitely welcome the co-operation of the Hudson Bay Route Association and I think in working together we can with consistent sound economy benefit our farmers and Western Canada to a tremendous extent by a greater use of the Railway and the Port facilities through Churchill."

Mr. Streeton thanked Mr. Crofford for this information and called upon the Chairman of the Resolution Committee, Mr. A. J. Hansen, to present resolutions.

#### HANSEN - McNEIL

"WHEREAS the Hudson Bay Route Association today in Annual Convention assembled at Saskatoon deprecates the undemocratic attitude of the Government in flouting the expressed will of Parliament through its apparent inaction in carrying out a lawful directive, overwhelmingly recorded by the people's representatives in the House of Commons on October 15th, 1945, when voting upon a resolution moved by Mr. Ronald Moore, M.P. of the Churchill constituency to the effect that it was desirable that the Dominion Government should *forthwith take into immediate consideration the advisability of encouraging the fullest possible use of the harbor and port facilities at Port Churchill, Manitoba* or the transferring of the Management and Control of the said port to a joint Board appointed by the Governments of Manitoba, Saskatchewan and Alberta (after lengthy debate Parliament voted 105 to 24 in favor of this resolution).

"THEREFORE BE IT RESOLVED that the Hudson Bay Route Association do now request the Dominion Government to carry out the above mentioned directives as was approved by Parliament." Carried.

#### HANSEN - WRIGHT

"WHEREAS applications of the Railway Association of Canada for general increases in freight, lake and certain express rates were recently made to the Board of Transport Commissioners for Canada and are at present under consideration by the latter body, and

"WHEREAS in the event of the said applications being granted either in whole or in part, the Railway Companies should make or cause to be made, either directly or indirectly, applications to the Honorable, the Minister of Transport for increases in either freight or express rates on the Hudson Bay Railway,

"BE IT RESOLVED that this annual meeting of the Hudson Bay Route Association, assembled in Saskatoon, Sask., on April 30th, 1947, do strongly recommend to the Honorable Minister of Transport that no increase in either freight or express rates on the *Hudson Bay Railway be allowed.*" Carried.

"WHEREAS the Hudson Bay Railway is officially listed as being under construction and the Board of Transport Commissioners have no jurisdiction in the matter of freight rates and the public has no means of appeal against unfair and discriminating freight rates,

"RESOLVED that this convention demand that the Hudson Bay Railway be forthwith brought under the same jurisdiction of the Board of Transport Commissioners as are the Canadian National and the Canadian Pacific Railways. Carried."

"WHEREAS during the past year Canada has become important as a source of supply for high quality cattle of both dairy and beef type to re-establish the depleted livestock in Europe and to improve the dairy herds of Great Britain, and

"WHEREAS the pasturelands of the prairie provinces provide the greatest potential source for livestock in Canada, and

"WHEREAS Hudson Bay - Port Churchill route is the logical export outlet for western livestock,

"THEREFORE BE IT RESOLVED that arrangements be made forthwith for the construction of cattle pens and feed storage facilities at the Port of Churchill as a necessary requisite for export livestock shipping. Carried."

"WHEREAS the Hudson Bay Route Association and the Interprovincial Western Policy Committee during the past year carried on valuable promotional work in connection with the development of the Hudson Bay Route, and

"WHEREAS information secured during this period indicates definitely that certain major difficulties in the way of the fullest development of this western

trade route can not successfully be overcome without a full inquiry into all matters pertaining to the operations of the railway and the Port at Churchill,

"THEREFORE BE IT RESOLVED that this convention urge upon the Federal Government to forthwith appoint a Royal Commission to investigate all matters pertaining to the operation of the Hudson Bay Railway and the Port at Churchill with particular reference to:

- (a) The capital structure of the railway.
- (b) Charges for services provided by the Canadian National Railways.
- (c) Further necessary equipment at the Port such as facilities for loading and unloading livestock and coal.
- (d) Warehouse requirements at Churchill.
- (e) The possibility of development of natural resources tributary to Churchill such as coal, oil, etc.
- (f) Possibility of development of the fishing industry inclusive of processing.
- (g) Labor conditions at Churchill with a view of providing permanent employment and housing.
- (h) The question of securing permanent building sites for warehouses and residence purposes.
- (i) Educational and health services at Churchill.
- (j) The possibility of lengthening the present navigation season.
- (k) The possibility of shipping feed grain from Western Canada to Prince Edward Island via Churchill and develop a two way trade along the East Coast.
- (l) Cost of management.
- (m) Freight and insurance rates.
- (n) The effect of leases granted to the Hudson Bay Company covering trapping and the fur industry upon general development of the north land.

"And all other matters having a bearing on developments which will ensure permanency, and further that the Hudson Bay Route Association be represented on the Commission. Carried."

"WHEREAS it is estimated that the minimum of exports which will ensure the profitable operation of the Hudson Bay Route is sixteen million bushels of wheat, and

"WHEREAS it is in the best interest to Canada and the Western Provinces in particular that the route be placed upon a paying basis instead of showing deficits, and

"WHEREAS it is the shortest route to our European markets,

"THEREFORE BE IT RESOLVED that this convention urgently request the Canadian Wheat Board to direct that at least the necessary quantity of wheat to meet operation cost be shipped via the Port at Churchill in this and future years. Carried."

"WHEREAS anthracite and other classes of coal from Britain and other sources of supply has always had a limited market in Western Canada, and

"WHEREAS wider markets for western coal, particularly from Alberta, could be secured in many parts of the world including other coastal points in Canada providing transport cost could be minimized which is possible by using the Hudson Bay - Port Churchill Route,

"THEREFORE BE IT RESOLVED that to facilitate the handling of coal at Port Churchill, proper unloading and loading equipment be established at the Port as early as possible. Carried."

"WHEREAS the safety of the Hudson Bay - Port Churchill as a means of export and import was tested and proved by the use of the route in 1946 when a large volume of products and goods were safely exported and imported, and

"WHEREAS the maximum success of the project will largely be measured by the volume of goods imported by ships to Port Churchill from elsewhere, and

"WHEREAS any modern port must be equipped with storage space for the assembling of outgoing and incoming goods,

"THEREFORE BE IT RESOLVED that with a view toward encouraging and developing of international and coastal trade the Dominion and Provincial Governments give similar attention as that given to other Ports by establishing forthwith adequate and proper warehousing and storage facilities at Port Churchill. Carried."

"WHEREAS one important aftermath of the last World War is that Canada became the owner of ships which could, in our opinion, be converted into cargo carrying vessels, and

WHEREAS Canada has also developed considerable recognized ship building enterprises which can only continue to prosper if Canadian owned ships sail the trade routes from and to Canadian ports,

"THEREFORE BE IT RESOLVED that the Dominion Government be requested to give favorable consideration to prepare and allocate a limited number of seaworthy vessels for the active transport of cargoes to and from Port Churchill during the appropriate shipping season of the Port. Carried."

"WHEREAS we commend the Saskatchewan Government for appointing an overseas trade commissioner to encourage the purchase of products from the western provinces and to advise of the potential markets in those provinces to British and other exporters of consumable goods and the advantage of the Hudson Bay Route in shipping said goods to Canada, and

"WHEREAS the effort of the Commissioner will be largely nullified unless wholesalers and retailers in the western provinces are willing and prepared to accept overseas goods for the widest possible distribution and sale to actual consumers, and

"WHEREAS it has long been the practice of distributive business men to personally discuss with qualified salesmen the merit and quality of goods which they would consider purchasing,

"THEREFORE BE IT RESOLVED that in the interest of two way traffic through the Hudson Bay it is imperative that a Western Trade Representative be appointed to personally discuss with western distributive business men the quality and price of goods procurable from overseas exporters." Carried.

"WHEREAS it is to be deplored that Saskatchewan has largely borne the brunt of maintaining an active campaign to focus attention to the advantage of the Hudson Bay - Port Churchill Route,

"THEREFORE BE IT RESOLVED that we appeal to our other western provinces to take a more active part in the campaign of the Hudson Bay Route Association and assist in increasing the membership of the Association and thereby more evenly spread the cost of the campaign which must continue until the project is in full operation." Carried

### **Place of Next Convention**

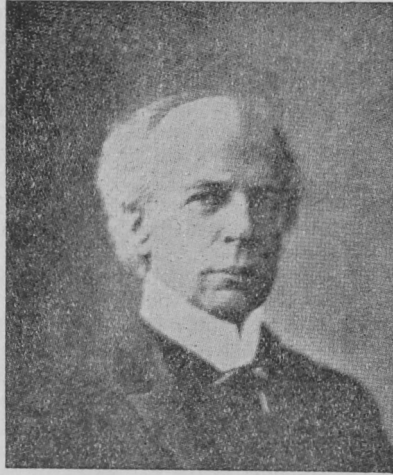
HENDERSON - O'SHAUGHNESSY:—That the next general convention of the Hudson Bay Route Association be held in Regina. Carried.

Mr. Streeton, speaking on behalf of the Hudson Bay Route Association, moved a vote of thanks to the Press, Radio, Board of Trade, for the use of their offices, and the United Farmers of Canada for the loan of their secretary to further the interests of the Hudson Bay Route Association for the benefit of the western people.

Meeting adjourned at 6:00 P.M.



## THE STRUGGLE



**Sir Wilfred Laurier**

Sir Wilfred Laurier, in a speech recorded in the Canadian House of Commons thirty-nine years ago, stated: "It is not enough for us to confine our views to Canada, that is now settled, we must look ahead. We must push northward as far as colonization can go. I have great confidence that before many years are past we shall see towns and villages on the shores of the Hudson Bay, like those we see on the shores of Norway, where people will be prosperously engaged in the lumbering business, the pulp industry, the mining industry, and others. That is what I hope Canadians will see ere long."

## BRIEF STORY OF THE HUDSON BAY RAILWAY

Agitation for a railway to Hudson Bay started in 1877. A charter for the Winnipeg Hudson Bay Railway and Steamship Company was granted in 1880.

The government of Canada as Trustee for the Province of Manitoba and the North West Territories granted in 1884 6,400 acres in Manitoba and 12,800 acres in the North West Territories in aid of the construction of the Winnipeg Hudson Bay Railway and Steamship Company.

The purchase of the Hudson Bay Railway charter with accompanying land grant by Mackenzie, Mann and Company enabled that firm to extend construction throughout Manitoba, Saskatchewan and Alberta. The Western Provinces are therefore already enjoying great benefits and advantages as a result of the charter and land grant of the Hudson Bay Railway. The land grant in respect to this charter was stopped in 1908. The persistent demand by Western people for a railway to the bay caused the Hon. Frank Oliver, Minister of the Interior, to sell homestead and pre-emption lands for the purpose of financing the construction of a railway to Hudson Bay.

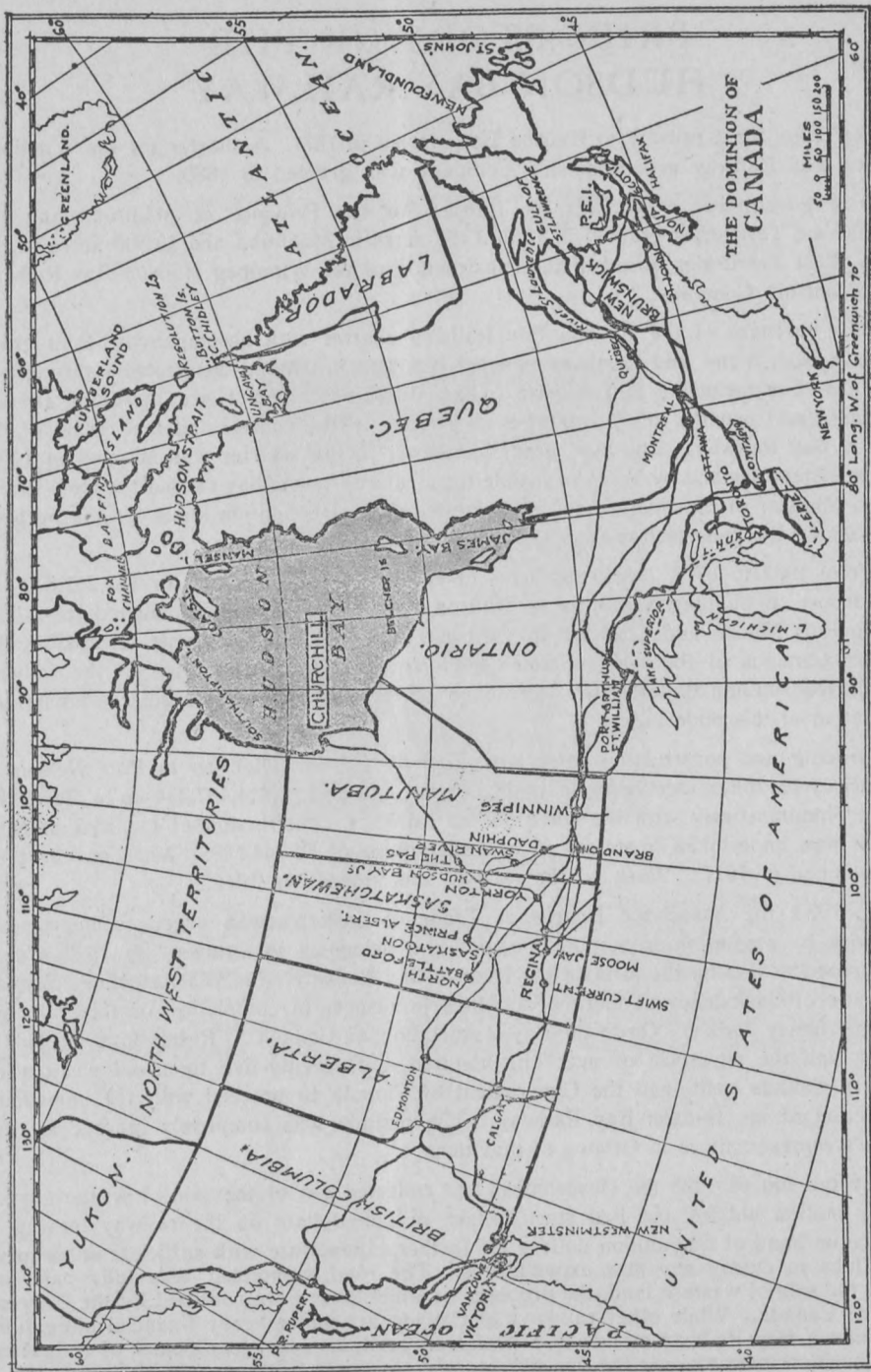
From 1908 to 1918, 14,085,880 acres of Western land were sold for \$42,257,640 for the purpose of building a railway to Hudson Bay. Surveys were conducted from The Pas to Port Nelson and Churchill in 1908 and 1909. Port Nelson was selected as the Eastern terminus of the road. Sixteen million dollars for construction of the railway and thirteen million dollars for construction of the port was the original estimate for completion of this undertaking.

Grading and construction work was carried on from The Pas to Port Nelson, a distance of 424 miles, steel being laid on 332 miles at a cost of \$14,487,434 up to March 31, 1925. Simultaneously with the work on the railways, construction of facilities at Port Nelson was undertaken, resulting in an expenditure of \$6,244,598. Work on the port was stopped in 1917. Work on the railway was stopped in 1918.

In 1920, the Associated Boards of Trade of Saskatchewan urged resumption of the work by resolution from public bodies and delegates to Ottawa. In 1922 orders were issued to tear up the rails on the Hudson Bay Railway. In 1923 Associated Boards of Trade of Saskatchewan merged activities in respect to completion of this railway, with the newly formed "On-to-the-Bay Association of Canada." Resolutions by public bodies, and the signature of over one hundred and seventy-five thousand electors of Western Canada petitioned the Government of Canada to proceed with the immediate completion of the Hudson Bay Railway. The petition was completely ignored by the people's representatives in Ottawa at that time.

By the end of 1925 the Government had collected out of the sale of western land, twenty million dollars and had spent fifteen million dollars on the railway leaving a balance on hand of five million dollars for further expenditure with sufficient subsequent collections to defray any new expenditures. The road, completed, was fully paid for out of the sale of western land, the proceeds of which have been collected by the Government of Canada. While other railways in Canada are under heavy financial obligation, the Hudson Bay Railway stands in a preferred position, and every pound of freight or other business passing over the line will represent a profit to the people of Canada.

Government investigation has declared that the route is feasible.



Outline map of Canada, showing relative position of the Hudson Bay, Churchill and the Hudson Bay Railway.

## Some Interesting Sidelights

Hudson Bay Railway, paid for when completed.  
Canadian National Railway, liability of \$2,000,000,000.  
Canadian Pacific Railway, liability of \$665,000,000.

New Brunswick, Quebec and Ontario have guaranteed bonds of railways to the extent of \$16,000,000. Manitoba, Saskatchewan and Alberta to the extent of \$180,000,000. Nova Scotia, New Brunswick and Ontario have given 7,000,000 acres. The Dominion Government on behalf of the western provinces has given 39,000,000 acres.

In one year alone, \$14,000,000 was spent on Montreal harbor. The first steamer up the St. Lawrence in 1809 found a channel nine feet in depth for 226 miles. Since that time, this channel has been deepened to 34 feet.

In 1927 and years immediately following, during an upswing in farm organization, the United Farmers of Canada, Saskatchewan section, took a very keen interest in the Bay route, and an earlier completion of the road doubtless was due to their persistent efforts and to the effective work of the On-to-the-Bay Association.

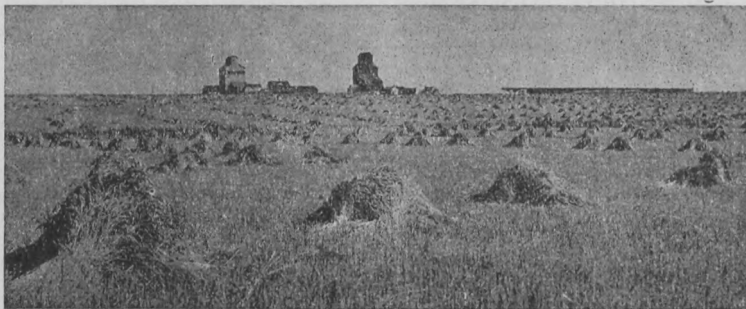
The two greatest obstacles to shipments in and out of Churchill have been lack of warehousing facilities and the extortionate rate of marine insurance. This can and must be remedied.

## Vast Tributary Area

At the 1942 annual meeting, the president, Mr. J. M. Stevenson, K.C., of Saskatoon, reported on the condition of the route. Excerpts from his address given hereunder are significant:

"One favorite criticism of the port development is that this port has no hinterland and that for a distance of 250 miles in any direction from Churchill, nothing but barren lands and muskeg can be found. This is undoubtedly true, but a fair answer to same is to ask the critic to extend the radius of his circle to 1,200 miles and you then find that in that area you have included not only Manitoba and Saskatchewan, but all of North Dakota, South Dakota, Minnesota and Wisconsin, together with practically all of Montana, and a great part of Wyoming, Nebraska and Iowa; thus Butte in Montana is 150 miles nearer to

(Continued on Page 31)

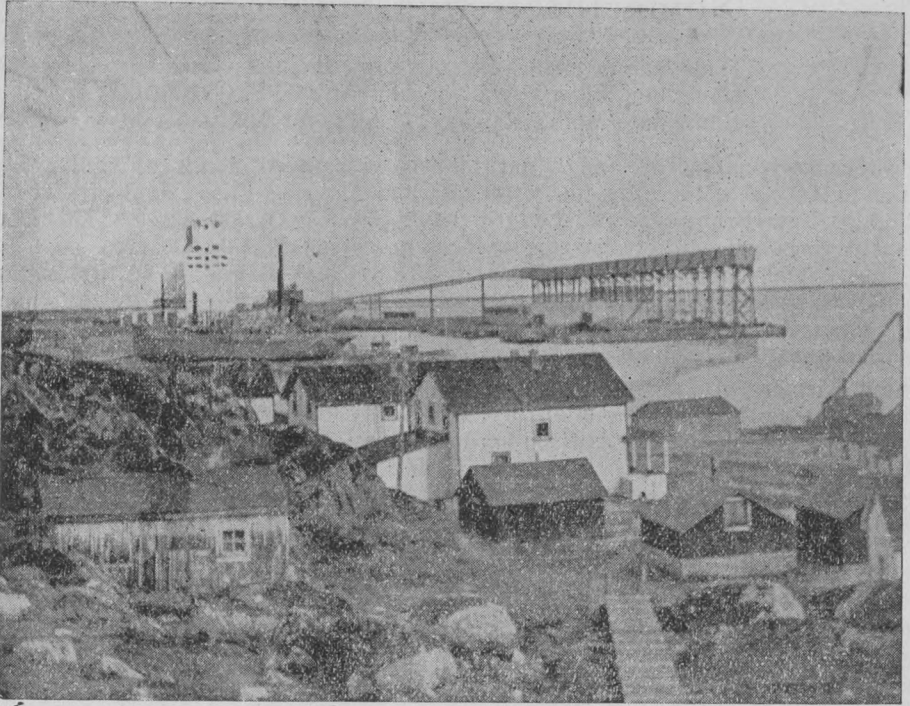


Grain on the Open Prairie

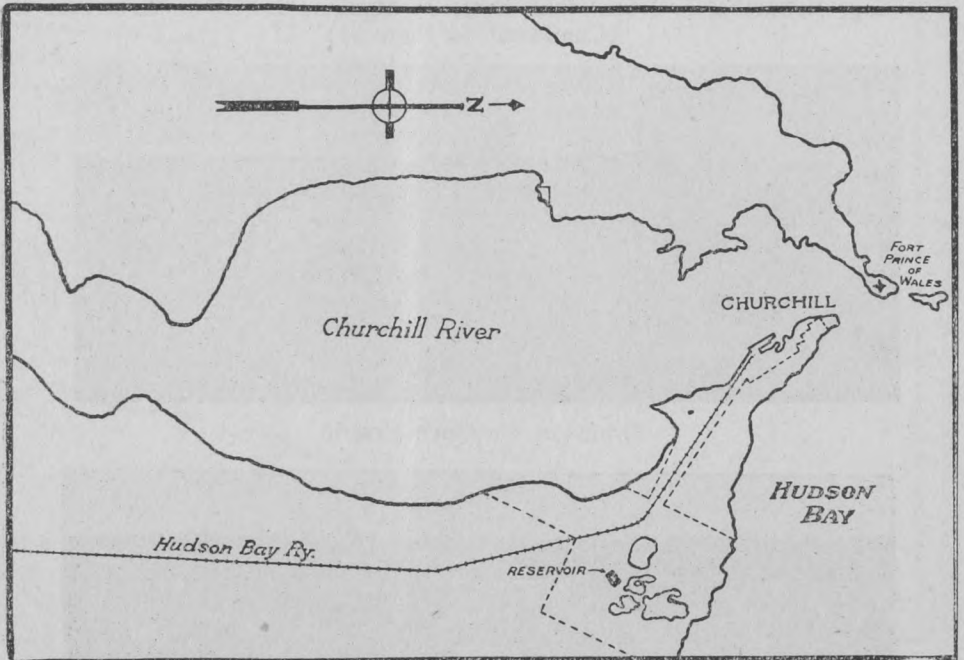


Saskatchewan Cattle





General View, Churchill



Location of Churchill  
30

Churchill than it is to Chicago, and should a line of railway be built across Northern Canada the rich Peace River country will be nearer to European markets than western Ontario now is. Moreover, should a railway be built, an all-imperial route from Great Britain to the Orient is immediately established which is several thousand miles shorter than the present routes via the Panama Canal or via San Francisco.

"A further favorite criticism is that if wheat is stored extensively at Churchill it will become a frozen asset, not because of the climate but because of the fact that shipment outward is possible only for, say, four months in the year, and much is made of the fact that the present elevator at Churchill makes provision for only 300 bins whereas in order to handle the great variety of grades and sub-grades many hundreds of bins would be required. The answer to this criticism is that there is every year on the prairies an immense carry-over of the fall crop approximately forty millions of bushels at least, and while the Churchill Port can handle during, say four months of navigation from August to November, a large quantity of the current crop, yet the storage of the surplus that might be destined for the Churchill route the next year need not necessarily take place at Churchill, in fact I suggest that Saskatoon is the logical place for such storage, having in mind the large interior storage elevator at Saskatoon. Storage of wheat costs roughly a cent a bushel per month and can take place here even much better than elsewhere.

"Let me also quote from an address delivered by the Hon. James G. Gardiner on October 27th, 1926:—"The problem of transportation is the great problem of Western Canada. Its importance to us in Saskatchewan arises out of the fact that we are producing, with a population of less than one million, sufficient food to feed thirty million and that the market for that food is five thousand miles away, by the present route. Its importance is increased by the further fact that practically everything we wear and use in the production of agricultural wealth is brought to us from Eastern Canada or the United States by rail or by rail and water. Our cost of production and marketing, both of which come out of the market price of our produce, is controlled as much by the cost of transportation as by any one other item.

"The report of the Board of Grain Commissioners for the year 1938 showed a net profit in transportation of wheat to Europe through the Port of Churchill as compared with the route by Montreal of *six cents per bushel*. Marine insurance charges, including the insurance on the vessel which carries the grain as well as the insurance on the grain carried as cargo, averages less than two cents per bushel in excess of similar insurance charge for grain shipped from Montreal.

"The storage rate on wheat in the Government elevator at Churchill is only 'one cent per bushel as from October 8th to August 31st (10 months) while the rates at Fort William, Port Arthur, Buffalo or any other Eastern port are one cent per month per bushel.' The equipment at Churchill, if properly manned and operated efficiently, can handle at least 50,000,000 bushels in one season, that is, on a 24-hour operation, three crews, eight hours each. The three Prairie Provinces have paid for the construction of the Hudson Bay Railway and all shipping facilities at Churchill."

## Advantages of Route

The benefits of the Hudson Bay Route to Western Canada would be:

Advantages to Agriculturists: Savings in freight rates outward, cost of supplies inward; a cool route for shipping cattle and dairy products.

Advantages to Industrialists: Increased Empire trade, particularly in the importation and exportation of raw materials. Increase in slaughtering and meat packing industries through the development of stock raising. Increased market for factory products owing to opening up of agricultural and mineral areas.

Development of natural resources and water powers facilitated.

Increased development of fisheries, owing to easier access to fishing grounds and consequent development of the various by-products of this industry.

The products of Western Canada have reached the British markets either by way of the Great Lakes and Atlantic ports or by the Pacific ports through the Panama Canal to Liverpool. The following table shows the advantage in mileage which will be gained by shipping via the Hudson Bay Route:

#### DISTANCE FROM VARIOUS WESTERN POINTS TO LIVERPOOL

From—	Via Montreal and Great Lakes	Via Churchill Existing Routes
	<i>Miles</i>	<i>Miles</i>
Portage la Prairie .....	4449	3864
Winnipeg .....	4393	3919
Brandon .....	4527	3863
Regina .....	4750	3769
Moose Jaw .....	4792	3812
Prince Albert .....	4768	3663
Saskatoon .....	4878	3773
Calgary .....	5226	4172
Edmonton .....	5224	4072

The advantage to be gained by the shorter rail haul may be inferred from the following figures showing the distance from principal Western points to Churchill as compared with Montreal:

	Churchill All rail	Montreal All rail	Montreal, via Great Lakes
Winnipeg .....	933 miles	1357 miles	1633 miles
Portage la Prairie .....	938 "	1412 "	1689 "
Brandon .....	937 "	1492 "	1767 "
Regina .....	843 "	1713 "	1990 "
Moose Jaw .....	885 "	1756 "	2032 "
Saskatoon .....	847 "	1828 "	2133 "
Edmonton .....	1146 "	2158 "	2464 "
Calgary .....	1246 "	2260 "	2466 "

### The Hudson Bay Route Must be Utilized

History has shown that the Hudson Bay Route is a practical one. A short way to Britain and Europe, where there are great markets for Western Canadian and Mid-western United States agricultural products, natural resources and manufactured goods and from which the mid-continental area of North America can import a wide variety of needed goods, the Hudson Bay route can save prairie people vast sums of money and can serve to promote a steady trade.

The Hudson Bay Route Association is definitely of the opinion that the answer to the main economic difficulties with which Western Canada is confronted is the fullest development and operation of the Hudson Bay route, and to this end the association will devote its utmost efforts.

### A Practical Route

There is abundance of evidence of the navigability of the Hudson Bay route, but there is no need to quote it all here.

"I have interviewed many captains of ships who have made voyages to Churchill and they all express the opinion that the route is quite an easy one and can be taken advantage of for a much longer period than is generally supposed," writes Capt. D. J. Munro, C.M.G., R.N., in "The Development of Trade between Port Churchill, Hudson Bay and Cromarty Firth" (1945). "Captains who have been employed for many years navigating Arctic seas and have never had the advantage of the four aids mentioned (echo depth recording, direction finding stations, gyroscopic compass, radar) are emphatic that the Hudson Bay route to Churchill is open much longer than laid down. The same remark applies to the Northwest Passage.

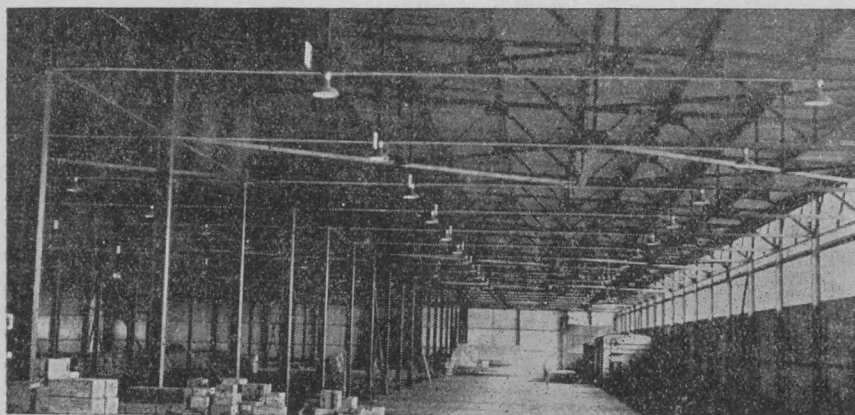
"Archangel and the whole of the White Sea is frozen over for a longer period than Churchill is. It lies 20 miles up a river, yet before the First Great War, it was the second port in Russia for the export of cargo, principally timber. With the aid of ice-breakers the Baltic is kept open for a long period, when a few years ago it was impassable. Commercial ships have now gone from Murmansk to Vladivostok.

"Such is the enterprise of modern Russia. On the same lines, no reason is seen why traffic should not be carried on the year round with Churchill, and this is the argument of many who understand Arctic navigation. If we devote only one-tenth of the energy and skill that the Russians have put forth in developing a route along the Siberian coast in the face of difficulties very much greater than any to be met with in the Hudson Bay route to Churchill, the problem would soon be solved."

### **Americans Interested in Port Churchill**

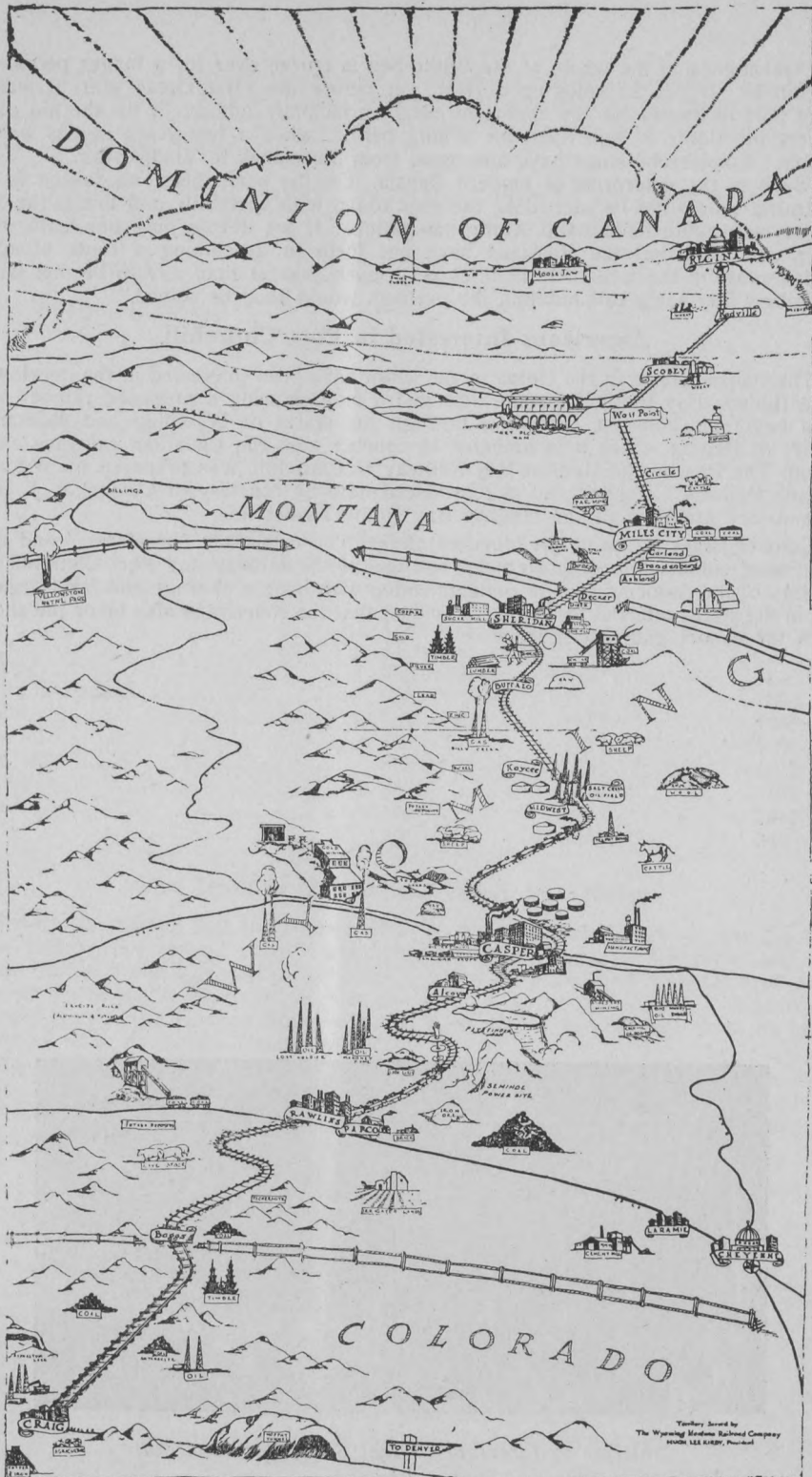
The central States in the Union to the south have been interested in the development of the Hudson Bay Route for some time and a map showing a proposed railway which would begin in Colorado, extending through the states of Wyoming and Montana to the city of Regina where it is intended to connect with the Canadian railways and on through The Pas by the Hudson Bay Railway to Churchill, was prepared by Wyoming-Montana Railway Company and is reproduced here by courtesy of Colonel F. J. James, the honorary president of the Hudson Bay Route Association.

Colonel James is one of the founders of the "On-to-the Bay Association" and is one of the most enthusiastic supporters for full use of the railway and Port Churchill. The secretary of the Association is in communication with boards of trade and farm organizations in the states referred to. It seems evident that the Americans also favor the shortest routes for export goods to Europe.



*Interior of Fireproof Freight Shed, Port Churchill*





Almost airline contact, Craik, Colorado, to Regina, Saskatchewan.

# CHURCHILL IMPRESSIONS

BY A. J. HANSON

Truly named is The Pas; there, already one sees unmistakable signs of the gateway to a vast Northland, with a code of life all its own.

The Churchill train is being made up—three day coaches and two sleepers. It is colorfully crowded. Trappers, hunters, traders, fishermen, native women and children make up the greater number of the passengers. Missionary priests with their great beards and bright, kind eyes, arrange themselves along with young R.C.M.P. returning to their far north posts. There is gaiety, there is a carefree, happy atmosphere floating through this train about to start out on its 500 miles to the sea at Port Churchill. A boat train indeed, as quaint and original as could ever be seen.

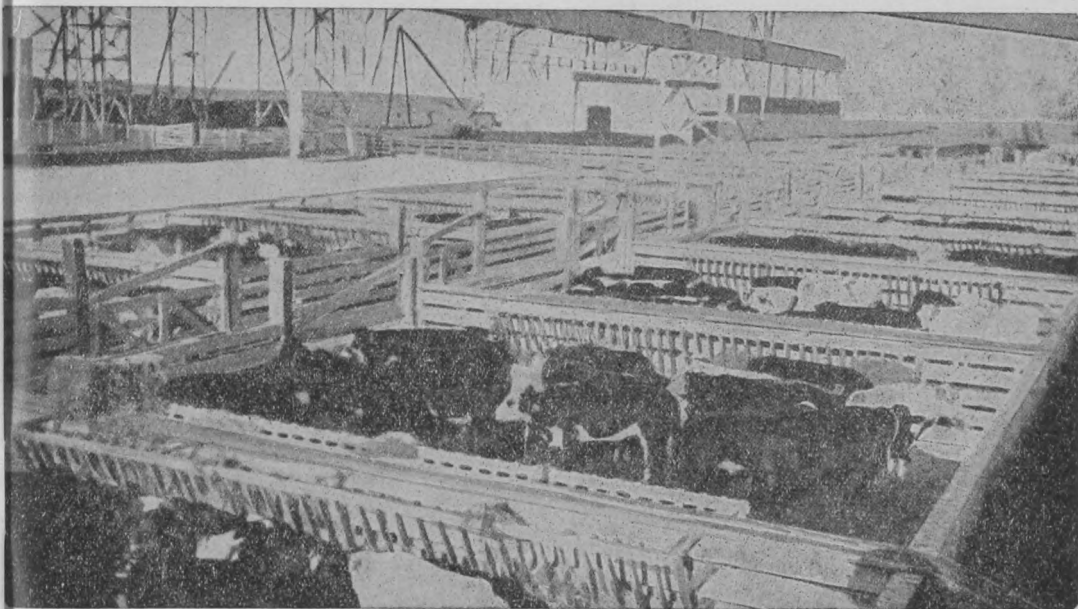
In the last minute there is a change in the time of departure. The huge engine is taken off. In 20 minutes it returns with 14 steel cars piled high with lumber from The Pas Lumber Company, one million feet billed "London, England, via Churchill."

The track of the Hudson Bay Railway is in excellent ballast. We pass green seas of forests, stop at each cocky little station which like a sparrow on an elephant's back seems to poke its midget shape out of limitless wilderness to say: "Look who's here."

On and on through the northern night the train rushes. The mighty Nelson River is crossed. Soon the trees along the track get smaller and smaller, scarcer and scarcer, until they look like little old people casting anxious glances at one another across defying pools of placid waters. The stillness of the vast terrain, stretching as far as the eye can reach, is almost repressive; the Barren Lands have been well named.

At Mile 504 the porter gets busy. The usual stirring about as a train approaches an important stop is evident. Next stop Churchill! Churchill and the sea! What a magnificent entrance. A huge airport between the track and the sea, a splendid, large, fully modern railway station. The gigantic grain elevators stand out shiningly against the slate grey rocks across the harbor entrance. What is that at the wharf? One, two, no several great freighters from across the ocean.

We are no sooner out of the train before we walk down to the ships. There is the famous Nascopie, with its protege, the Severn, flying the Hudson's Bay Company colors. There the great freighter Essex Trader, London. Then the Mount Revelstoke



*title Pens, Churchill. Sold to the Americans during the war for \$6,140.94. Must now be replaced.*

Park, 10,000 tons, and the Hill Crest Park. The colossal spouts of the elevators are pouring the golden wheat into the holds.

The master of the Mount Revelstoke, Captain Leatherbarrows of London, brought in the first ship to Churchill harbor since the war. He received from W. N. Twolan, port manager, an inkstand most artistically carved out of walrus tusks, depicting an Eskimo and containing a small cannon ball dated 1770 which is said to have been exchanged between the British and French in the historic sea battle at Churchill in 1782.

The writer interviewed Captain Leatherbarrows on board his ship in his cosy and most hospitable cabin.

Had he ever been at Churchill before? No, this was the captain's first trip. Were any difficulties encountered in coming through the Straits? The captain laughed: "Good Lord, no. There was some ice floating about but it didn't bother me in the least. I carry a gyro compass and must say the facilities for navigation through the Straits and in the Bay are excellent. The Churchill radio beam led me right to the channel of the harbor. In fact, this is a jolly fine port. I have had wonderfully good service and your grain handling facilities are second to none I have encountered."

The captain revealed he was directly under the orders of the British minister of toods. He could easily make another trip this season as he was to dock in London August 28 and could be ready to sail again September 6.

How does the route compare with the St. Lawrence? "It is, if anything, easier and 1,000 miles shorter."

The sun was setting, casting a coppery glow over the hills across the Churchill River delta. Anchored out in the harbor was the stout little tugboat, Graham Bell, under the command of the genial Captain Geldert. On the long wharf men were busy closing up for the day. Down on the shore of the Churchill River lay a big white whale, just harpooned and hauled ashore.

# JOIN THE HUDSON BAY ROUTE ASSOCIATION

Personal membership ..... \$ 1.00

## AFFILIATE MEMBERSHIP—

Rural Municipalities ..... \$25.00

Cities (minimum) ..... 25.00

Towns (minimum) ..... 10.00

Villages and Hamlets ..... 5.00

Locals of United Farmers of Canada ..... 5.00

Co-operative Committees (Wheat Pool and Consumers) ..... 10.00

## BOARDS OF TRADE

Villages and Towns (minimum) ..... 5.00

Cities (minimum) ..... 25.00

Other groups as may be arranged by writing to Head Office.

For information write to:

Mr. Frank Eliason, Secretary,  
Hudson Bay Route Association,  
Imperial Bank Building,  
Saskatoon, Saskatchewan.

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## APPLICATION FOR MEMBERSHIP

I hereby apply for membership in the Hudson Bay Route Association and enclose the sum of \$..... as my contribution towards the implementation of its program.

\$.....

Signed .....

Address .....



# On the Road to Hudson Bay

BY C. W. SAMPSON, SASKATOON

On the Road to Hudson Bay,  
Where the Churchill holds full sway,  
You can hear the rip tide rushing  
Past the Old Fort on the Bay.  
At Sloop Cove on the Bay,  
Where the ships of Hudson lay,  
The names and dates recorded  
Of explorers of the Bay,  
On the stones across the way.

## REFRAIN

At Churchill on the Bay  
You seem near the milky way,  
And you hear the northern lights  
Although a thousand miles away.  
On the road to Hudson Bay,  
Where the white whales sport and play  
And the tide comes in like lightnin'  
From the straits across the Bay.

On the Road to Hudson Bay,  
Where the pine and hemlock sway  
And Kettle Rapids thunder  
High above the foam and spray.  
On the road to Hudson Bay,  
Where we transport grain and hay,  
You can hear the engines puffing  
Through Gillam on the way,  
Back and forth from Hudson Bay.  
(TUNE: *The Road to Mandalay*)

